

June 1996

MANAGEMENT REFORM

Completion Status of Agency Actions Under the National Performance Review



General Government Division

B255769.4

June 12, 1996

The Honorable Ted Stevens, Chairman
The Honorable John Glenn, Ranking Minority Member
Committee on Governmental Affairs
United States Senate

The Honorable William F. Clinger, Jr., Chairman
The Honorable Cardiss Collins, Ranking Minority Member
Committee on Government Reform and Oversight
House of Representatives

The Honorable John R. Kasich, Chairman
Committee on the Budget
House of Representatives

On September 7, 1993, the National Performance Review (NPR)—the administration’s major management reform initiative—issued a report containing 384 recommendations intended to make the government “work better and cost less.”¹ NPR subsequently identified a series of 1,203 action items necessary to implement these recommendations. In its September 7, 1995, report,² NPR said that agencies reported to it that nearly one-third, or 380, of the action items had been completed. This report responds to your request that we review the completion status of the 380 action items that NPR said were completed.

Background

On September 7, 1993, under the direction of the Vice President, NPR issued a report containing recommendations that covered 27 federal agencies and 14 government systems, such as procurement, human resource management, and budgeting. Since its 1993 report, NPR has issued 33 accompanying reports that describe in detail the recommendations and the action items necessary to complete them.

We reported our initial comments on the NPR recommendations in December 1993.³ In December 1994, we reported our findings on the

¹From *Red Tape to Results: Creating a Government That Works Better and Costs Less*, report of the National Performance Review, Vice President Al Gore, September 7, 1993.

²*Common Sense Government: Works Better and Costs Less*, third report of the National Performance Review, Vice President Al Gore, September 7, 1995.

³*Management Reform: GAO’s Comments on the National Performance Review’s Recommendations*(GAO/OCG-94-1, Dec. 3, 1993).

implementation status of each of NPR's recommendations.⁴ Since then, NPR published its third report, which details agency restructuring recommendations and the administration's regulatory reform efforts.

Results in Brief

Of the 380 action items in NPR records identified as completed, we verified that 294, or 77 percent, were completed. We also determined that 66 action items, or 17 percent, were not completed but that, for all but 1 of them, they were either partially implemented or some action had been taken to begin implementation. For 20 of the action items, or 5 percent, we were unable to make a determination because sufficient information was not available.

Objective, Scope, and Methodology

Our objective was to assess the completion status of the 380 NPR action items that agencies reported to NPR as completed. To accomplish our objective, we first obtained access to NPR's records and identified a total universe of 1,203 action items. These records contained an assessment of the implementation status of each item. We reviewed those items reported by agencies to NPR as completed. In its records, NPR classified an action item as completed under two captions: "completed" or "substantially completed, further action not expected."

To assess NPR's classifications, we contacted the appropriate agency officials to verify that each action item reported by NPR as completed, was indeed completed as of January 16, 1996 (roughly 4 months after NPR's 1995 report was issued). We obtained and reviewed relevant agency documents, such as legislation, executive orders, memorandums, schedules, or policies, that we believed were needed to validate the completion status of the action items.

We compared our findings to the wording contained in the NPR accompanying reports detailing the recommendations and action items. For those action items not included in a published NPR accompanying report, we used the wording describing those action items from NPR records.⁵

⁴Management Reform: Implementation of the National Performance Review's Recommendations (GAO/OCG-95-1, Dec. 5, 1994).

⁵NPR has not released accompanying reports for the Departments of Health and Human Services, Justice, Transportation, Treasury, and the Executive Office of the President.

In certain cases, we noticed that the original wording describing an action item contained in the accompanying report differed from that contained in NPR's records. For example, the description in NPR's records for action item PROC15.03 was changed from "train procurement officials on source selection techniques" to "develop a course to train procurement officials." To be consistent with our 1994 review and the action items NPR made public in its accompanying reports, we used the wording from those reports. On the basis of our review, we assigned one of the following six status codes to each of the 380 action items:

- (1) Fully Implemented. The entire wording of the action item has been fulfilled.
- (2) Partially Implemented. Only a portion of the action has been implemented. When the wording of the action item had multiple parts, if one part or a portion of a part had been implemented (but not all parts), we categorized the action item as "partially implemented."
- (3) Not Implemented-Action Taken. No part of the action item has been implemented, but some action has been taken toward the completion of the action item. For example, if legislation had been introduced to address the action but had not been enacted into law, we categorized the action item as "not implemented-action taken."
- (4) Not Implemented-No Action. No part of the action item has been completed, and no action has been taken to address the action item. For example, if the action item called for changes in legislation but no legislation has even been proposed, we categorized the action item as "not implemented-no action."
- (5) Insufficient Information. Insufficient or conflicting information prevented us from determining the status of the action item.
- (6) Other. Implementation has occurred or action has been taken that, while not responsive to the letter of the action item, generally was consistent with its purpose. For example, if the action item states that a particular position should be created to coordinate an effort but the coordination is achieved without the creation of the position, we categorized the action item as "other."

We considered those action items we classified as "fully implemented" and "other" to be completed. Action items we classified as "partially

implemented,” “not implemented-action taken” and “not implemented-no action taken” were considered not completed. We classified action items as “insufficient information” when sufficient information was not available for us to verify that they were completed. Those action items were from the Central Intelligence Agency (CIA), whose Director did not provide the necessary information. For those action items we considered not completed, we noted the basis for our conclusions in appendix II.

In making our final determinations on completion status, we provided NPR officials the results of our initial determinations. NPR officials discussed these results with agencies and provided us with additional, clarifying information that we considered and, when we believed appropriate, used in making our final determinations. NPR officials provided written comments on a draft of this report, and their comments appear in appendix III of this report.

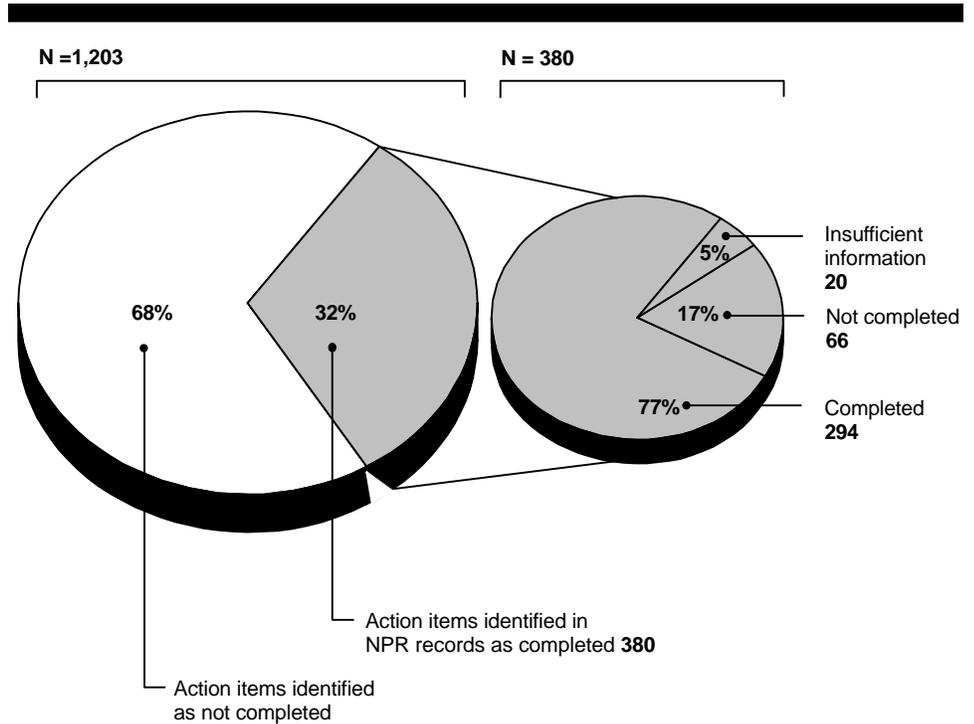
We did not review NPR’s estimated savings from implementing its recommendations. The Congressional Budget Office already has analyzed some of the NPR recommendations from that perspective.

We did our work in accordance with generally accepted government auditing standards from January through March 1996. The work was done by staff from five of GAO’s six divisions in Washington, D.C., and several field locations.

GAO Analysis

Our review of NPR’s records indicated that of the 1,203 action items necessary to implement NPR’s recommendations to make the federal government work better and cost less, 32 percent, or 380, were classified as completed as of September 7, 1995. In analyzing agency documentation on these 380 action items, we determined that 294, or about 77 percent of the 380 items, were completed as of January 16, 1996. Figure 1 shows the difference between the number of action items identified as completed in NPR’s records and the number we determined to be completed.

Figure 1: Difference Between the Number of Action Items Identified as Completed in NPR's Records and GAO's Determination



Note: Percentages do not add to 100 because of rounding.

Source: GAO.

We determined that 66 items, or 17 percent, were not completed. Of these, we classified 43 as being partially implemented, 22 as having not been implemented but having action taken, and 1 item for which no action was taken. An example of an action item having not been implemented but having action taken is the Department of Defense (DOD) action item DOD04.03. The action item states that “Executive Order 12615 (Performance of Commercial Activities) should be rescinded and a new Executive Order issued.” We found that the Office of Management and Budget (OMB) rejected DOD’s recommended change to the executive order. OMB believed that it would be inappropriate to change the executive order without first changing OMB Circular A-76. OMB is in the process of changing

its circular, but its intentions regarding changing the executive order after that are unclear.

For 20 of the action items, or 5 percent, we were unable to make a determination because sufficient information was not available. These action items were from the CIA.

For the 27 action items we classified as “other,” we determined that the action items had been implemented in a manner that was consistent with the purpose of the recommended action item but that the implementation was not completed specifically as called for in the action item. For example, the Department of the Interior (DOI) action item DOI14.03 states that “DOI should establish a legal strike force by the end of 1994 to address barriers to cleanup.” Although DOI did not establish a “legal strike force” because of budget constraints, it instead established, in 1994, a coordination group within DOI’s Solicitor’s office that meets monthly to address barriers to cleanup.

Thus, on the basis of our review of the 1,203 action items NPR identified as needed to implement its recommendations, we found that 24 percent were completed. Table 1 summarizes our findings concerning the completion status of the 380 action items. (The action items are identified by NPR-assigned abbreviations for recommendation areas. See app. I for a listing of the agencies and issues.)

Table 1: Summary of the Completion Status of Action Items

Agency or Issue	Total action items	Action items listed in NPR records as completed	Action items GAO found to be		Insufficient information to determine status
			Completed	Not completed	
AID	38	16	15	1	0
BGT	28	3	1	2	0
DES	4	0	a	a	a
DOC	46	16	12	4	0
DOD	62	16	15	1	0
DOE	32	10	8	2	0
DOI	61	24	17	7	0
DOJ	49	21	18	3	0
DOL	49	7	7	0	0
DOS	34	5	2	3	0
DOT	44	17	16	1	0

(continued)

Agency or Issue	Total action items	Action items listed in NPR records as completed	Action items GAO found to be		Insufficient information to determine status
			Completed	Not completed	
DVA	30	8	3	5	0
ED	47	12	9	3	0
ENV	12	5	5	0	0
EOP	32	9	9	0	0
EPA	44	18	18	0	0
FEMA	15	7	7	0	0
FM	54	16	10	6	0
FSL	11	5	5	0	0
GSA	6	4	2	2	0
HHS	47	10	10	0	0
HRM	46	11	6	5	0
HUD	40	13	10	3	0
ICS	9	5	4	1	0
INTEL	33	20	0	0	20
IT	47	6	3	3	0
NASA	19	16	15	1	0
NSF	6	2	2	0	0
OPM	9	0	a	a	a
ORG	6	0	a	a	a
PROC	63	31	25	6	0
QUAL	13	2	2	0	0
REG	20	3	3	0	0
SBA	15	9	7	2	0
SMC	16	5	4	1	0
SUP	49	22	18	4	0
TRE	55	3	3	0	0
USDA	12	3	3	0	0
Total	1,203	380	294	66	20

^aWe did not attempt to verify action items under this agency or issue because NPR did not report any as being completed.

Agency Comments

To obtain NPR's comments we provided a draft of this report to the Project Director of NPR. To prepare its response, NPR obtained comments from each of the agencies that we reported as having not completed specific actions. NPR found our report to be valuable overall and said that it would be helpful in assuring Congress and the public that NPR's recommendations are being implemented.

NPR and the agencies agreed with us on 42 of the 70 action items that we had classified as not complete. For the remaining 28 action items, the agencies and NPR disagreed with our classifications. According to NPR, for nearly all of the action items on which we disagreed, the disagreement was not based on the facts but on a difference in interpretation. We reviewed NPR's comments for each of the 28 action items on which we disagreed. Where appropriate, we made additional inquiries of the relevant agencies. We changed our classification on four action items. For three action items involving the Department of Transportation (DOT), we changed our classification after pertinent documentation, which was not previously made available to us, was provided by DOT officials. We changed our classification of one action item involving the Immigration and Naturalization Service in deference to the agency's view of what was meant by the ambiguous wording of the action item.

On the remaining 24 action items, we did not change our classification because we continue to believe that the facts and documentation available to us do not support a conclusion that the action items had been fully implemented. For example, for more than half of the action items, efforts to fulfill the action items were either still in process or no evaluation or other evidence supporting the agency's position was available. Therefore, we could not determine whether the action items had been completed. In five instances, we found that the wording of the action item was substantively changed from that originally published by NPR. In effect, the changes lowered the requirements necessary to complete the action item. For six of the action items, NPR, according to its own records, classified the action items as only "substantially completed, further action not expected."

In addition, NPR suggested that we drop from our baseline the 20 action items for which sufficient information was unavailable. NPR's Project Director said that we should either drop these action items from the baseline or accept the intelligence community's self-assessment that these items were completed. To accomplish our objective of independently assessing the status of agency actions that NPR reported as completed and

to ensure consistency with our earlier review of NPR, we retained as part of our baseline the 20 items classified as having insufficient information.

In response to NPR's comments on each of the 28 action items, we made technical changes to clarify our comments in appendix II. A copy of NPR's comments and our response are in appendix III.

Copies of this report will be sent to other congressional committees, the Vice President, the Director of OMB, the Director of NPR, OMB's Deputy Director for Management, and other interested parties. Copies also will be made available to others upon request.

If you have any questions concerning this report, please call me on (202) 512-8676.

A handwritten signature in black ink that reads "L. Nye Stevens". The signature is written in a cursive style with a large initial "L" and a long horizontal stroke at the end.

L. Nye Stevens
Director, Federal Management
and Workforce Issues

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Abbreviations

BOP	Bureau of Prisons
CIA	Central Intelligence Agency
DOD	Department of Defense
DOE	Department of Energy
DOI	Department of the Interior
DOT	Department of Transportation
FAA	Federal Aviation Administration
FAR	Federal Acquisition Regulation
FGDC	Federal Geographic Data Committee
GED	General Equivalency Degree
HUD	Department of Housing and Urban Development
INS	Immigration and Naturalization Service
NASA	National Aeronautics and Space Administration
NPR	National Performance Review
OMB	Office of Management and Budget
OMC	Office of Motor Carriers
OPM	Office of Personnel Management
VA	Department of Veterans Affairs
VSO	Veterans Service Organizations

NPR Recommendation Areas

Recommendation code	Focus of NPR recommendations
AID	Agency for International Development
BGT	Mission-Driven, Results-Oriented Budgeting
DES	Rethinking Program Design
DOC	Department of Commerce
DOD	Department of Defense
DOE	Department of Energy
DOI	Department of the Interior
DOJ	Department of Justice
DOL	Department of Labor
DOS	Department of State/U.S. Information Agency
DOT	Department of Transportation
DVA	Department of Veterans Affairs
ED	Department of Education
ENV	Reinventing Environmental Management
EOP	Executive Office of the President
EPA	Environmental Protection Agency
FEMA	Federal Emergency Management Agency
FM	Improving Financial Management
FSL	Strengthening the Partnership in Intergovernmental Service Delivery
GSA	General Services Administration
HHS	Department of Health and Human Services
HRM	Reinventing Human Resource Management
HUD	Department of Housing and Urban Development
ICS	Improving Customer Services
INTEL	Intelligence Community
IT	Reengineer Through the Use of Information Technology
NASA	National Aeronautics and Space Administration
NSF	National Science Foundation/Office of Science and Technology Policy
OPM	Office of Personnel Management
ORG	Transforming Organizational Structures
PROC	Reinventing Federal Procurement
QUAL	Creating Quality Leadership and Management
REG	Improving Regulatory Systems
SBA	Small Business Administration
SMC	Streamlining Management Control
SUP	Reinventing Support Services

(continued)

Appendix I
NPR Recommendation Areas

Recommendation code	Focus of NPR recommendations
TRE	Department of the Treasury/Resolution Trust Corporation
USDA	Department of Agriculture

Status of NPR's Completed Action Items

On the basis of our review, we assigned one of the following six status codes to the 380 action items identified in NPR records as completed:

(1) Fully Implemented. The entire wording of the action item has been fulfilled.

(2) Partially Implemented. Only a portion of the action has been implemented. When the wording of the action item had multiple parts, if one part or a portion of a part had been implemented (but not all parts), we categorized the action item as “partially implemented.”

(3) Not Implemented-Action Taken. No part of the action item has been implemented, but some action has been taken toward the completion of the action item. For example, if legislation had been introduced to address the action but had not been enacted into law, we categorized the action item as “not implemented-action taken.”

(4) Not Implemented-No Action. No part of the action item has been completed, and no action has been taken to address the action item. For example, if the action item calls for changes in legislation but no legislation has even been proposed, we categorized the action item as “not implemented-no action.”

(5) Insufficient Information. Insufficient or conflicting information prevented us from determining the status of the action item.

(6) Other. Implementation has occurred or action has been taken that, while not responsive to the letter of the action item, generally was consistent with its purpose. For example, if the action item states that a particular position should be created to coordinate an effort but the coordination is achieved without the creation of the position, we categorized the action item as “other.”

Empty cells in the GAO comments column indicate that we had no comment.

**Appendix II
Status of NPR's Completed Action Items**

Table II.1: Summary of Completed NPR Action Items

Action item code	Action item text	GAO status code	GAO comments
AID01 Redefine and Focus AID's Mission and Priorities			
AID01.01	The AID Administrator should conduct a zero-based, bottom-up review of all AID programs and operations, identifying programs and operations that (a) do not directly support a clearly defined mission of sustainable development, and (b) can be undertaken by other assistance providers with a comparative advantage over AID. Nonessential and redundant programs should be eliminated.	1	
AID01.03	The AID Administrator should develop a strategic vision of what the agency should look like as it enters the 21st century.	1	
AID01.04	The AID Administrator should conduct a comprehensive review of all agency directives and other internal and public issuances to ensure that they clearly express the agency's mission, priorities, and objectives in clear, consistent, and accurate terms.	1	
AID02 Reduce Funding, Spending, and Reporting Micromanagement			
AID02.01	Funding for AID development assistance programs should be appropriated on a 2-year or multiyear basis determined by reference to specific assistance needs.	1	
AID03 Overhaul the AID Personnel System			
AID03.02	AID should reinvigorate the International Development Intern Program.	1	
AID03.04	AID should ensure that junior officers develop management and administrative skills as part of their career development.	1	
AID03.06	AID should encourage rotational assignments in and out of the Office of the Inspector General (OIG).	6	The rotational assignments were intended to eliminate friction between AID and OIG. However, a change in personnel has accomplished the goal of reducing friction. AID reports relations between AID and OIG to be at an all-time high.
AID03.07	AID should restructure the performance review and employee incentive programs to link individual performance to organizational performance.	1	
AID03.09	AID should integrate qualified spouses of overseas couples into the assignment process and cultivate them as part of the overseas workforce.	2	AID has pilot-tested using the talents of nondirect-hire spouses; however, budget limitations preclude any further action. Further implementation will depend on adequate funding.

(continued)

Appendix II
Status of NPR's Completed Action Items

Action item code	Action item text	GAO status code	GAO comments
AID03.10	AID should initiate an interagency review of Foreign Service (FS) benefit policies among the various agencies using FS employees.	1	
AID04 Manage AID Employees and Consultants as a Unified Workforce			
AID04.02	AID should put systems in place to accurately monitor employee work years for both direct-hire employees and personal service contractors.	1	
AID05 Establish an AID Innovation Capital Fund			
AID05.03	AID should conduct a thorough cost-benefit analysis of any proposed capital expenditure.	1	
AID05.04	AID should obtain customer input during business process reengineering.	1	
AID06 Reengineer Management of AID Projects and Programs			
AID06.02	The AID Administrator should designate selected AID missions as pilots to experiment with innovative approaches to programming and delivery of AID assistance.	1	
AID06.06	AID should improve donor coordination both at headquarters and in the field.	1	
AID07 Consolidate or Close AID Overseas Missions			
AID07.02	AID should support establishing the requirement that all assistance programs include plans for graduation from U.S. assistance.	1	
BGT03 Empower Managers to Perform			
BGT03.04	Propose revolving funds for those agencies that do not have them.	6	Every major department has the authority to create revolving funds, and some such funds have been in existence since the 1940s. This authority preceded the NPR recommendation.
BGT03.06	Simplify the apportionment process.	3	Neither the 1994 or 1995 updates of OMB Circular A-34, "Instructions on Budget Execution," contain any new instructions for a simplified apportionment process. As stated in our December 1994 NPR report, absent a change in formal guidance, OMB has for several years offered some agencies an annual apportionment approval process—letter apportioning—which reduces paperwork and gives agencies increased control over the rate at which they obligate funds. There is an indication of some broader use of this process. However, OMB neither monitors centrally how many agencies use this annual apportionment process nor how many budget accounts are affected.

(continued)

Appendix II
Status of NPR's Completed Action Items

Action item code	Action item text	GAO status code	GAO comments
BGT05 Provide Line Managers With Greater Flexibility to Achieve Results			
BGT05.03	Expedite reprogramming of funds within agencies.	3	OMB's guidance on expediting reprogrammings has not changed. This guidance is limited to reviews by OMB and does not govern agencies' internal review and approval process. As stated in OMB Circular A-11, "Preparation and Submission of Budget Estimates," section 12.9(b), in exceptional circumstances, agencies may request oral clearance of reprogramming materials or make other arrangements with their OMB representatives for expedited review.
DOC02 Provide Better Coordination to Refocus and Leverage Federal Export Promotion			
DOC02.01	The President should issue an executive order to grant the Trade Promotion Coordinating Committee (TPCC) broader authority to control federal export promotion efforts.	1	
DOC02.02	TPCC should establish a pilot program to physically integrate the domestic field offices of federal agencies that provide export counseling and financial services.	1	
DOC02.03	A recruiting program should be established through TPCC to increase the Foreign Commercial Service Office Corps.	1	
DOC03 Reform the Federal Export Control System for Commercial Goods			
DOC03.05	The Commerce Department's Bureau of Export Administration (BXA) should adapt its operations to the changing nature of export controls.	2	BXA has completed a major reorganization of its operations to adapt to the changing nature of export controls and has initiated an ongoing program to train other nations, especially the newly independent states, in the complexities of dual-use export controls. Commerce is finalizing a rewrite of its regulations to provide clear and concise regulations and timely export control information. The regulations are expected to be published in March 1996.
DOC05 Create Public/Private Competition for the National Oceanic and Atmospheric Administration (NOAA) Fleet			
DOC05.03	NOAA should obtain an independent review of its modernization program.	1	
DOC09 Expand the Electronic Availability of Census Data			
DOC09.02	The Census Bureau should publish reports electronically on the Internet.	1	
DOC09.03	The Census Bureau should publish frequently used statistics on the Internet.	1	

(continued)

Appendix II
Status of NPR's Completed Action Items

Action item code	Action item text	GAO status code	GAO comments
DOC09.04	The Census Bureau should provide data from micro-records through a dial-up system.	1	
DOC09.05	The Census Bureau should link these systems (particularly Internet databases) to each of the Census Bureau's 12 regional offices.	1	
DOC10 Amend the Omnibus Trade and Competitiveness Act to Increase the Data Quality of the National Trade Data Bank			
DOC10.01	Section 5412 of the Omnibus Trade and Competitiveness Act of 1988 (P.L. No. 100-09418, 15 U.S.C. sec. 4912) should be amended by removing reference to "fees consistent with" the Freedom of Information Act.	1	
DOC10.02	The Department of Commerce should place the National Trade Data Bank (NTDB) on a firm financial foundation to ensure its continued viability.	2	Legislative changes have allowed Commerce to establish a revolving fund for financing NTDB with revenue from NTDB sales reinvested into further NTDB operations. Although these actions do appear to make NTDB self-funding, more time will be needed to evaluate their outcome.
DOC10.03	The Economics and Statistics Administration (ESA) should contact international organizations (the United Nations, the Organization for Economic Cooperation and Development, World Bank, and International Monetary Fund) and develop an action plan for including their data in NTDB.	3	Commerce officials told us that they have discussed plans with international agency officials to include their data in NTDB. They added that high licensing fees for the data are the main barrier to this effort and that an action plan has not been developed for including them in NTDB.
DOC10.04	The Secretary of Commerce should direct all Commerce agencies to comply with requests from ESA for data.	1	
DOC10.05	ESA, with the authority of the Secretary and the assistance of Commerce's Office of Public Affairs and the International Trade Administration, should take appropriate steps to develop an effective marketing plan that publicizes NTDB as an exporter's resource tool to a large number of potential customers.	2	ESA did develop an NTDB marketing plan for fiscal year 1995 and created an NTDB Marketing Manager position within the agency. Although Commerce officials report an increase in demand for NTDB, the effectiveness of the marketing plan will be difficult to determine because it lacks a thorough evaluation component.
DOC10.06	ESA should deliver the content of NTDB using a full range of up-to-date computer techniques.	1	
DOC14 Build a Business and Economic Information Node for the Information Highway			
DOC14.03	Commerce should establish a prototype "on-line" business and economic information system in the White House (National Economic Council) to develop the concept, refine its data and communications standards, and create a state-of-the-art search and retrieval and analytical system.	1	

(continued)

**Appendix II
Status of NPR's Completed Action Items**

Action item code	Action item text	GAO status code	GAO comments
DOD01 Rewrite Policy Directives to Include Better Guidance and Fewer Procedures			
DOD01.01	DOD should clarify policy and decentralize procedures to empower people to do their jobs better.	1	
DOD01.02	Components (Office of the Secretary of Defense, military services, and defense agencies) must streamline their procedural guidance.	1	
DOD03 Purchase Best Value Common Supplies and Services			
DOD03.03	DOD should empower any properly delegated individual to buy common supplies and nonprofessional services.	1	
DOD04 Outsource Noncore DOD Functions			
DOD04.03	Executive Order 12615 (Performance of Commercial Activities) should be rescinded and a new executive order issued.	3	OMB rejected DOD's recommended change to the executive order. OMB said that it would be inappropriate to change the executive order without first changing OMB Circular A-76. OMB is in the process of changing its circular, but its intentions regarding changing the executive order after that are unclear.
DOD07 Create a Healthy and Safe Environment for DOD Activities			
DOD07.02	DOD should streamline the clean-up process so that sites may be remediated quickly without prolonged periods of study.	1	
DOD07.03	DOD should develop an environmental technology policy that is based on service users' environmental requirements and embodies the DOD environmental strategy.	1	
DOD07.04	DOD should develop a more effective pollution prevention program.	1	
DOD07.05	DOD should work with EPA regional offices and state and local environmental organizations to develop joint implementation approaches.	1	
DOD08 Establish a Defense Quality Workplace			
DOD08.01	DOD should establish a top leadership and management structure that furthers Total Quality Management (TQM) principles.	1	
DOD10 Give DOD Installation Commanders More Authority and Responsibility Over Installation Management			
DOD10.04	DOD should institute procedures that require a financial impact assessment of major policy decisions.	1	

(continued)

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Status of NPR's Completed Action Items**

Action item code	Action item text	GAO status code	GAO comments
DOD10.09	DOD should empower installation commanders to make best value purchases.	1	
DOD10.13	Legislation should be enacted to permit DOD to use simplified acquisition procedures for contracts between \$25,000 and \$100,000.	1	
DOD10.16	DOD should reform contract protest procedures.	1	
DOD10.18	The Federal Acquisition Regulation (FAR) should be amended to permit purchasing from large businesses based on cost and quality of items required.	1	
DOD10.20	DOD should issue unit cost guidance.	1	
DOD10.21	DOD should change applicable DOD regulations to allow stock fund managers to include in their customers' surcharge the costs for procuring, warehousing, packing, crating, and handling.	1	

DOE01 Improve Environmental Contract Management

DOE01.08	For those environmental services that are paid for on a cost-plus-award or a cost-plus-fixed fee award basis, DOE should perform systematic and timely audits on costs incurred by every contractor to verify that costs charged are legitimate and reimbursable.	3	DOE is working on mechanisms to reduce its backlog of contract audits; however, a backlog still exists.
DOE01.09	DOE should reevaluate the merits of requiring environmental restoration contractors to hire as many of the former management and operating contractors' staff, at current salary and benefit levels, as they can effectively employ.	6	Reevaluating the merits of requiring environmental restoration contractors to hire former management and operating contractor staff at their former salary levels is no longer an issue because separate contracts for environmental restoration management are no longer awarded. According to an official in the Environmental Management Office of Acquisition Management, the new "integrating contractors" that now have responsibility for managing the overall program are required only to give former employees the right of first refusal and are not required to offer such employees the same levels of salaries and benefits they received under the previous contractor. Thus, the spirit and intent of the original action item are being satisfied.
DOE01.10	DOE should examine options to increase the ratio of federal workers to contract employees to improve management and oversight and control costs.	1	

DOE03 Make Field Facility Contracts Outcome-Oriented

DOE03.01	Increase the use of performance objectives and goal-based budgeting when establishing funding levels for programs and projects.	1	
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Appendix II
Status of NPR's Completed Action Items

Action item code	Action item text	GAO status code	GAO comments
DOE03.05	Improve the capability of the financial management systems used to accumulate data from laboratories and weapons centers to measure, analyze, report, and control spending so that it is uniform, accurate, and received rapidly for programs and facilities.	3	DOE has developed a general plan for implementing the actions recommended to improve its financial and management systems and has established pilots for some tasks at various locations. DOE's actions are based on its May 1995 report on the capability of the financial and business systems. According to the report, DOE's current financial and business systems cannot be used to control cost because they are based on old technology and an outdated business model.
DOE04 Increase Electrical Power Revenues and Study Rates			
DOE04.01	The Secretary of Energy should encourage Power Marketing Administrations (PMA) in the Southeast, Southwest, Western areas, and Bonneville to be more aggressive in promoting energy conservation programs with their subscriber utilities.	1	
DOE05 Strengthen the Federal Energy Management Program (FEMP)			
DOE05.01	Upgrade the Director of FEMP to Deputy Assistant Secretary 1 status.		
DOE05.02	Support a priority status for FEMP's budget request for fiscal years 1994 and 1995.	1	
DOE05.03	Promptly hire new FEMP staff for fiscal year 1994.	6	Although action to hire new FEMP staff has been fully implemented—having taken place on March 20, 1995—it was not completed within the designated time frame for fiscal year 1994.
DOE06 Redirect Energy Laboratories to Post-Cold War Priorities			
DOE06.05	Laboratory managers should also be encouraged to work more closely with the private sector on high-priority research and development needs and to bid for contract or cooperative work on such projects.	1	
DOI02 Redefine Federal Oversight of Coal Mine Regulation			
DOI02.03	By January 1995, the Office of Surface Mining Reclamation and Enforcement (OSM) should review its organizational structure based on the review of its oversight role and submit a plan to close or downsize offices with declining workloads, eliminate unnecessary management levels, and adjust its field and Washington, D.C., staffing ratio.	1	

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**Appendix II
Status of NPR's Completed Action Items**

Action item code	Action item text	GAO status code	GAO comments
DOI02.05	Future appropriation bills should remove language requiring "per state limits" on abandoned mine land (AML) emergency funds. States should be required to assume responsibility for administering their AML emergency programs.	3	In its budget submissions for fiscal years 1995 and 1996, OSM proposed deleting "per state limits" on AML emergency funds. Congress retained the limits in fiscal year 1995 and as of January 16, 1996, had not acted on the fiscal year 1996 budget. (Note: On April 25, 1996, the fiscal year 1996 continuing resolution appropriating funds for DOI was enacted and retained the "per state limits.")
DOI02.06	The Surface Mining Control and Reclamation Act should be amended so that the Rural Abandoned Mine Program is administered by the states.	3	In its budget justification for fiscal year 1996, OSM requested no funds for the program, which in effect would end federal program administration for fiscal year 1996 but would not eliminate federal administration of the program in subsequent fiscal years if additional funds were appropriated for the program in those years. However, Congress as of January 16, 1996, had not acted on the fiscal year 1996 budget.
DOI03 Establish a National Spatial Data Infrastructure			
DOI03.01	The leadership role of the Federal Geographic Data Committee (FGDC) should be strengthened beyond its original charter of OMB Circular A-16. Federal agencies should be instructed to participate fully in FGDC activities by providing adequate staff support and high-level committee representation.	1	
DOI03.03	FGDC should submit a schedule and funding plan to OMB by September 1994 for completing the collection and production of national core geospatial data by January 2000.	3	A working group, which was convened to develop a framework (core) data plan, decided that it was premature to submit a schedule and funding plan to OMB because thousands of organizations collect data that might be considered part of the framework. Instead, the group generated a concept for developing a National Digital Geospatial Data Framework that is being tested in approximately 24 pilot areas around the country. The expectation is that by the end of 1996, there will be a guidebook for database development that can be used by federal, state, local, and private agencies to collect standardized data that are useful to a multitude of organizations.
DOI03.04	FGDC should identify thematic data sets of critical national importance and establish priorities, standards, and a funding plan by September 1994, based on partnerships for collection of these data.	2	Under OMB Circular A-16, a dozen subcommittees, each led by a different federal agency, have been assigned responsibilities for developing standards for data on different themes. The subcommittees are in various phases, ranging from developing standards to incorporating comments on standards that have been circulated nationally.

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Action item code	Action item text	GAO status code	GAO comments
DOI03.05	By June 1994, FGDC should create a geospatial data clearinghouse, which will use existing computer networks, to provide public access to spatial data.	6	As established by FGDC, the clearinghouse is an evolving, distributed, electronically connected network of geospatial data producers, managers, and users. It is not a central repository where data sets are stored. While the goal of June 1994 was not met, as of February 1996, all federal agencies on the national spatial data infrastructure (NSDI) had established a presence on the Internet. Some were making major data sets electronically available while others were making metadata available. Numerous states, many in partnership projects on NSDI with FGDC, have begun to serve data electronically as well.
DOI05 Obtain a Fair Return for Federal Resources			
DOI05.01	The administration should establish a formula for grazing of federal land at a fee level that is fair to both the taxpayers and the livestock permittees.	3	A final rule on administrative reform of the grazing program was issued on February 22, 1995. However, the rule did not include a new formula for grazing fees. The rule stated that enacting appropriate fees for grazing would be left to Congress.
DOI07 Improve the Land Acquisition Policies of DOI			
DOI07.01	The Secretaries of DOI and USDA and the Director of OMB should modify the process for determining land acquisition priorities and modify current procedures.	1	
DOI07.02	DOI should issue a series of policy directives for the National Park Service, Bureau of Land Management, and the Fish and Wildlife Service to address the issue outlined in DOI's 1992 Inspector General report and clarified in the Solicitor's opinion of July 30, 1992.	1	
DOI08 Improve Minerals Management Service's Royalty Collections			
DOI08.01	By fiscal year 1995, the Royalty Management Program should develop and implement additional computer programs to analyze and verify transactions across the lease population.	1	
DOI08.04	Current inconsistencies in liability issues should be resolved by DOI and a uniform policy developed in early 1994.	1	
DOI08.05	The reinvention laboratory, which has been established to study royalty reporting simplification, should evaluate the potential for greater efficiency, effectiveness, cost savings, and additional revenue from new reporting procedures.	1	

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Action item code	Action item text	GAO status code	GAO comments
DOI09 Establish a System of Personnel Exchanges in DOI			
DOI09.01	DOI should implement a system of in-house contracts in early 1994. The in-house contracts should assign individuals with special skills to work as consultants to other bureaus.	1	
DOI09.02	DOI should implement a system of temporary interbureau details and personnel exchanges in early 1994.	1	
DOI09.03	DOI should facilitate personnel exchanges and interbureau cooperation through an improved internal communication system.	1	
DOI10 Consolidate Administrative and Programmatic Functions in DOI			
DOI10.01	Within 6 months, all DOI bureaus and offices should identify parallel administrative, programmatic, and public outreach functions in areas where offices are collocated.	6	Although DOI identified parallel administrative, programmatic, and public outreach functions in areas where offices are collocated, the action item was not fully implemented within the designated time frame. DOI completed its streamlining plan in October 1994, and the Field Structure Working Group completed its study in March 1995. While these initiatives addressed the NPR issues, they were not completed within 6 months of the NPR final report as recommended.
DOI11 Streamline Management Support Systems in DOI			
DOI11.01	DOI should implement standard practices for electronic communications and an agencywide data network strategy with the following steps: (1) agree upon a conceptual framework identifying networks, common databases (e.g., payroll), and a network architecture; (2) establish ways to share data across bureaus; (3) require data centers to use compatible communications software; (4) require bureaus to optimize communications capacity (e.g., T-1 circuit bandwidth and video-conferencing room time); (5) shift to Government Open Systems' Interconnection Profiles; (6) standardize imaging systems across DOI for transmission of financial data, land records, rules and regulations, library materials, and basic review documents to reduce paperwork in the workplace; and (7) standardize telephone system capability across bureaus to provide timesaving components and to improve quality of direct communication.	6	DOI completed five of the seven components of this action item. However, it did not believe that two of the seven components of this action item were appropriate. DOI's rationale for not acting on these two components appears reasonable. Specifically, the National Institute of Standards and Technology (NIST) withdrew its requirement to use the Government Open Systems' Interconnection Profiles (GOSIP) because the profiles were outdated and overtaken by events with the popularity of the Internet standards. In addition, the vendor community did not provide follow-up products that complied with GOSIP. Therefore, DOI determined that this component was no longer valid. Also, DOI determined that it could not implement the component of standardizing imaging systems because (1) there are no governmentwide imaging systems standards; and (2) its current, specialized imaging systems did not lend themselves to departmentwide standardization.
DOI11.02	DOI should ensure that its data network initiatives all tie into a departmental data network.	1	

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Action item code	Action item text	GAO status code	GAO comments
DOI11.07	DOI should streamline the processing of bills by establishing a separate appropriation account within DOI to pay common costs rather than issuing separate billings to each bureau.	3	DOI studied establishing a separate appropriation account to pay common costs but decided in July 1994 not to do so. It has, however, made billing improvements by billing costs quarterly instead of monthly.
DOI11.10	DOI should identify all parties that may be interested in a rulemaking and involve them early in the process.	1	
DOI12 Create a New Mission for the Bureau of Reclamation			
DOI12.01	By the beginning of fiscal year 1995, the Bureau of Reclamation should develop a new mission that assumes a leadership role in western water policy and focuses on water management functions.	1	
DOI13 Improve the Federal Helium Program			
DOI13.03	The Bureau of Mines should reduce costs and increase efficiencies by discontinuing operations, such as small cylinder filling, maintenance, and testing, and other nonrevenue-producing operations.	2	The Bureau of Mines' helium program was officially transferred to the Bureau of Land Management (BLM) by an order of the Secretary of the Interior, dated March 12, 1996. While the helium program has been downsized, it will continue to operate but within BLM. Selling, filling, maintaining, and testing of small cylinders of grade A helium have been discontinued. However, the Helium Field Office has not yet identified or discontinued "other nonrevenue-producing operations."
DOI14 Enhance Environmental Management by Remediating Hazardous Material Sites			
DOI14.03	DOI should establish a legal strike force by the end of 1994 to address barriers to cleanup.	6	Although DOI did not establish a "legal strike force" because of budget constraints, in 1994 it instead established a coordination group within the Solicitor's office that meets monthly to address barriers to cleanup.
DOJ01 Improve the Coordination and Structure of Federal Law Enforcement Agencies			
DOJ01.03	The Director of Law Enforcement should reinvent federal law enforcement to ensure activities are coordinated and critical resources are shared.	6	The Department of Justice (DOJ) has established the Office of Investigative Agency Policies (OIAP), whose Director rotates every 4 years. OIAP currently is headed by Federal Bureau of Investigation (FBI) Director Freeh and coordinates law enforcement efforts for all DOJ law enforcement entities, including the U.S. Marshals Service, Bureau of Prisons, Drug Enforcement Administration, FBI, Immigration and Naturalization Service, and U.S. Attorney offices. This coordination includes sharing of critical resources, such as technology and intelligence information.

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Action item code	Action item text	GAO status code	GAO comments
DOJ04 Improve DOJ's Debt Collection Efforts			
DOJ04.01	Congress should amend the Federal Debt Recovery Act to authorize DOJ to use private debt collection counsel in all districts where appropriate.	1	
DOJ04.02	DOJ should be authorized by Congress to retain up to 1% of amounts collected through litigating civil debt collection claims under \$500,000.	1	
DOJ04.03	Congress should authorize DOJ to credit the DOJ Working Capital Fund up to 3% of all amounts collected through DOJ civil debt collection litigation activities to be used only for paying the costs of processing and tracking such litigation.	1	
DOJ05 Improve the Bureau of Prisons' Education, Job Training, and Financial Responsibilities Programs			
DOJ05.01	DOJ should help inmates working in the Bureau of Prisons (BOP) labor programs complete a GED degree.	2	According to BOP, the total number of inmates tested for the general equivalency diploma (GED) decreased from 7,950 in FY 94 to 7,712 (-3%) in FY 95. However, at the same time, the number who passed the test increased from 5,488 to 5,814 (5.9%). Overall, the pass rate for those tested increased from 69% to 75.4%. For FY 1995, BOP exceeded its own target of a 70% pass rate. However, BOP provided no data on the number of inmates who do not have a high school diploma or its equivalent. Therefore, it was not possible to determine if BOP has succeeded in increasing GED program participation, although the pass rate of those who participate has improved.
DOJ05.03	BOP should expand use of minimum security prison labor.	1	
DOJ05.04	BOP should charge a nominal user fee for prison health care.	3	BOP is developing a legislative package for submission to DOJ by June 1996, which would grant BOP authority to implement a user fee program. After legislation for BOP health care is approved, BOP plans to revisit implementation of the recommendation.
DOJ06 Improve the Management of Federal Assets Targeted for Disposition			
DOJ06.01	The Departments of the Treasury and Justice should oversee the implementation of memorandums of understanding associated with Treasury's new Asset Forfeiture Fund.	1	
DOJ06.02	Agencies should allow all Asset Forfeiture Fund's administrative costs to be paid from asset sales receipts.	1	

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Action item code	Action item text	GAO status code	GAO comments
DOJ08 Reinvent the Immigration and Naturalization Service's (INS) Organization and Management			
DOJ08.03	The INS Commissioner should restructure the organization to better meet its responsibilities.	1	Although INS reorganized on October 1, 1994, with the intent of better meeting its responsibilities, not enough time has passed, and no evaluation has been done that would permit a conclusion that the objectives of the reorganization have been achieved.
DOJ08.04	The INS Commissioner should issue strategic planning guidance that includes appropriate performance standards and output measures.	1	
DOJ09 Make DOJ Operate More Effectively as the U.S. Government Law Firm			
DOJ09.01	DOJ should develop a departmentwide case management system capable of tracking case status and staff productivity.	2	According to the Deputy Director of DOJ's Performance Review Team, DOJ's Departmental Case Management system was implemented in July 1995. The project was not expanded to track staff productivity because of funding constraints.
DOJ09.03	DOJ should establish temporary 12-month details between headquarters and U.S. Attorney's Offices to cross-train staff.	1	
DOJ09.04	DOJ should include representatives from both headquarters' legal divisions and U.S. Attorney's Offices in department litigation working groups to foster greater cooperation.	1	
DOJ09.05	DOJ should conduct client surveys to improve customer service.	1	
DOJ09.06	DOJ should encourage its federal agency clients to avail themselves of Special Assistant U.S. Attorney status.	1	
DOJ10 Improve White-Collar Fraud Civil Enforcement			
DOJ10.01	The Attorney General should emphasize civil fraud recovery as a national priority.	1	
DOJ10.02	DOJ should lead an interagency health care fraud prevention team.	1	
DOJ10.03	Legislation should be enacted authorizing DOJ to retain a percentage of U.S. Attorney's Offices civil fraud recoveries to pay for the cost of creating civil fraud recovery teams.	1	
DOJ10.04	DOJ should include attorneys from its Civil Division in the white-collar fraud civil enforcement working group.	1	

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Action item code	Action item text	GAO status code	GAO comments
DOJ16 Develop Lower Cost Solutions to Federal Prison Space Problems			
DOJ16.02	BOP should expand the use of alternative sanctions, such as halfway houses, home detention with electronic monitoring, and supervised home release for appropriate offenders.	1	
DOL03 Expand Negotiated Rulemaking and Improve Up-Front Teamwork on Regulations			
DOL03.02	DOL should employ a team concept in the development of rules.	1	
DOL05 Automate the Processing of the Employee Retirement Income Security Act of 1974 (ERISA) Annual Financial Reports (Form 5500) to Cut Costs and Delays in Obtaining Employee Benefit Plan Data			
DOL05.03	IRS should revise its regulations to facilitate electronic filing of Form 5500-series data.	1	
DOL13 Integrate Enforcement Activities Within the Department of Labor			
DOL13.07	DOL should select one or two priority areas to receive a full court press.	1	
DOL19 Transfer the Veterans' Employment and Training Service to the Employment and Training Administration			
DOL19.02	DOL should explore possibilities for improving employment delivery and customer choice of service provider by requiring states to make delivery of veterans' employment and training service competitive.	1	
DOL20 Reduce Federal Employees' Compensation Act (FECA) Fraud			
DOL20.01	FECA and section 1920 of title 18, United States Code, should be amended to make it a felony to knowingly and willfully make a false or misleading statement or representation in connection with the application for or receipt of FECA benefits.	6	P.L. 103-333, the 1995 Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, achieved the goals of this action item by amending section 1920 of title 18, United States Code. FECA was not amended.
DOL20.02	Section 8102(a) of title 5, United States Code, should be amended to provide that an individual convicted of a violation under the amended statute, or other fraud related to FECA, forfeits all entitlement to any benefits as of the date of conviction.	6	The goals of this action item were achieved by P.L. 103-333, which added a new section 8148 to title 5, United States Code, rather than by amending section 8102(a).
DOL20.03	Section 8116 of title 5, United States Code, should be amended to provide no benefits to an individual confined in a jail, prison, or other penal institution or correctional facility if that individual's conviction constituted a felony under applicable law.	6	The goals of this action item were achieved by P.L. 103-333, which added a new section 8148 to title 5, United States Code, rather than by amending section 8116.

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Action item code	Action item text	GAO status code	GAO comments
DOS02 Integrate the Foreign Affairs Resource Management Process			
DOS02.01	The Secretary of State, in conjunction with the National Security Council and OMB, should reform the interagency foreign policy resource management process for Budget Function 150.	2	Effective use of resources requires a strategic planning and budgeting process that allocates resources to the most important priorities. Current U.S. government processes for allocating resources to U.S. foreign affairs objectives are fragmented among many different agencies and congressional committees. The Secretary of State established the Office of Resources, Plans, and Policy to assist the State Department and other Function 150 agency heads in developing policies, plans, and programs to achieve foreign policy goals and enable the Secretary to present an integrated international affairs (Function 150) resource budget request to OMB and other government agencies. Nonetheless, the Secretary lacks authority to implement further reform and does not make resource allocation decisions for other agencies in the Function 150 account.
DOS05 Reduce Mission Operating Costs			
DOS05.02	The State Department should review all Marine Security Guard detachments and deactivate them where possible.	2	The State Department conducts periodic reviews of security needs in regions throughout the world, but it has not reviewed all Marine Security Guard detachments. Since September 1993, the State Department has deactivated 12 detachments. It has activated or reactivated two in the same period. At least one other post is under review for deactivation.
DOS06 Consolidate U.S. Nonmilitary International Broadcasting			
DOS06.01	Legislation should be enacted to consolidate U.S. international broadcasting under the U.S. Information Agency.	1	

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Action item code	Action item text	GAO status code	GAO comments
DOS08 Improve the Collection of Receivables			
DOS08.01	The State Department should ensure that overseas medical expenses are accurately identified and reported by each embassy.	2	Since October 1, 1993, the Office of Medical Services has issued individual obligation numbers for each transaction so that it can track medical expenditures and identify funds reimbursed to its allotment. In addition, the Bureau of Finance and Management Policy developed accounting and debt collection procedures for funds that have been expended on employees' overseas medical expenses. The Bureau sends notices reminding employees to file for reimbursement from their insurance companies. At the same time, the Bureau opens an account receivable in the employees' names. If employees do not file for reimbursement from their insurance companies and reimburse the State Department within a specified amount of time, the State Department withholds money from their paychecks. These actions resulted in collections of over \$1 million in fiscal year 1994. However, the Department is circulating revisions to the Foreign Affairs Manual for internal review. Further evaluations are needed to determine if all embassies are following procedures.
DOS09 Change United Nations (U.N.) Administrative and Assessment Procedures			
DOS09.01	Seek U.N. member support for establishment of a consolidated oversight and accountability mechanism, such as an Office of Inspector General.	1	
DOT07 Examine User Fees for International Overflights			
DOT07.01	DOT should conduct a cost allocation study to determine whether (1) foreign carriers who cross U.S. airspace should pay fees and whether (2) direct user fees should be introduced. If so, DOT should propose legislation and work with Congress.	1	
DOT08 Increase Federal Aviation Administration (FAA) Fees for Inspection of Foreign Repair Facilities			
DOT08.01	DOT should increase the fees FAA charges for certification and surveillance of foreign repair facilities.	1	
DOT10 Establish a Public-Private Consortium to Develop an Aeronautical Telecommunications Network			
DOT10.01	DOT should create a public-private consortium under a cooperative agreement with industry to develop an Aeronautical Telecommunications Network.	1	

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Action item code	Action item text	GAO status code	GAO comments
DOT11 Improve Intermodal Transportation Policy Coordination and Management			
DOT11.01	DOT should institute a strategic planning process to promulgate national, integrated transportation policies.	1	
DOT12 Develop an Integrated National Transportation Research and Development Plan			
DOT12.01	DOT should develop an integrated national transportation plan that considers specific and intermodal transportation needs.	1	
DOT12.02	The President should direct a transportation-related research and development (R&D) focal point to be established within the federal government.	1	
DOT12.03	DOT should designate an R&D technology focal point in the Office of the Secretary.	1	
DOT12.04	DOT should develop a departmentwide R&D policy and an integrated strategic plan.	1	
DOT13 Create and Evaluate Telecommuting Programs			
DOT13.01	DOT should work with other federal agencies to implement a telecommuting program for DOT employees and evaluate transportation-related behavior and other topics requiring research.	1	
DOT15 Provide Reemployment Rights for Merchant Mariners			
DOT15.01	Legislation should be enacted to provide reemployment rights for merchant mariners who are called to active duty during a war or national emergency.	1	
DOT19 Rescind Unobligated Earmarks for the Federal Transit Authority (FTA) New Starts and Bus Program			
DOT19.01	Congress should rescind unobligated earmarks for the FTA New Starts and Bus program. Balances for 1991 and prior, not obligated by October 1, 1993, should be reconsidered and, if appropriate, rescinded.	1	
DOT19.02	Balances for 1992 and earlier that remain unobligated on October 1, 1994, should be reconsidered and, if appropriate, rescinded by Congress.	1	
DOT19.03	Balances for 1993 and earlier that remain unobligated on October 1, 1995, should be reconsidered by Congress and, if appropriate, rescinded.	1	

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Action item code	Action item text	GAO status code	GAO comments
DOT20 Reduce the Annual Essential Air Service Subsidies			
DOT20.01	Congress should amend the Airport Safety and Capacity Expansion Act to prohibit subsidies to Essential Air Service points within 70 miles of a hub airport, limit subsidies to \$200 per passenger, and give DOT authority to change criteria to fit costs to appropriations.	1	
DOT21 Terminate Grant Funding for FAA Higher Education Programs			
DOT21.01	Legislation should be enacted to terminate the Airway Science Curriculum and the Collegiate Training Initiative for Air Traffic Controllers grants programs, rescind unobligated grant funds, and phase out FAA's active involvement in the programs.	2	Unobligated funds have been rescinded, and FAA is in the process of transferring the Airway Science Curriculum Program to a private aviation association. Although FAA did not request funding in FY 1996 for the Collegiate Training Initiative Program, Congress appropriated \$250,000 in grants to one of the institutions participating in the program. FAA said that the Collegiate Training Initiative Program, when not subsidized by federal funds, is cost-effective because it reduces the amount of FAA-funded training that students will need to become air traffic controllers.
DOT22 Assign Office of Motor Carriers (OMC) Field Staff to Improve Program Effectiveness and Reduce Costs			
DOT22.01	DOT should place a geographic information system (GIS) in each DOT regional office to merge many national-level databases with the existing OMC safety data sets.	6	According to the Volpe National Transportation Systems Center, which is a research arm of DOT's Research and Special Projects Administration, DOT placed GIS software in each DOT region. However, because of the complexity and cost of merging databases to allocate staff and travel resources in order to address safety problems as initially envisioned, OMC implemented an alternative method that accomplishes the same objective that is described in DOT22.02.

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Action item code	Action item text	GAO status code	GAO comments
DOT22.02	DOT should develop a resource allocation model and integrate it into GIS to better allocate staff and travel budgets.	6	The Volpe National Transportation System Center said that the same results could be achieved with GIS software. However, OMC found that GIS was too restrictive because it could not include all of the factors needed for an effective resource allocation model. Therefore, OMC utilized an alternative model, using a delphi technique to consolidate input from numerous OMC officials. The model includes a variety of factors, including safety, and weights these factors by their importance. OMC began implementing the model in fiscal year 1995. The model deploys staff resources among regions, where they are needed most, thus better utilizing travel resources. In addition, OMC also implemented telecommuting arrangements to enable staff to work from a home base, which is to facilitate a better use of travel resources
DVA03 Eliminate Legislative Budget Constraints to Promote Management Effectiveness			
DVA03.01	Eliminate travel, training, and personnel restrictions (including floors and ceilings) in the Department of Veterans Affairs (VA) budget and authorizing legislation, and give flexibility to field managers to (a) transfer funds between programs and object classes and (b) obtain multiyear funding when requested.	2	P.L. 104-19 removed the restriction on transferring funds from the Medical Care "Personal Services" account to other accounts, and VA's FY 1996 appropriation bill also would have excluded the restriction. Other restrictions—including limitations on travel expenditures, reorganizations, and multiyear funding—remain in place.
DVA04 Streamline Benefits Claims Processing			
DVA04.03	The Veterans' Appeals Improvement Act of 1993 should be enacted into law.	1	
DVA05 Consolidate Department of Defense and Department of Veterans Affairs Compensation and Retired Pay Programs			
DVA05.01	VA and DOD task forces should jointly examine their disability compensation adjudication and disbursement processes, identify potential areas that can be streamlined or consolidated, and expeditiously implement the resulting recommendations.	2	A VA/DOD work group completed a study on the consolidation of disability compensation disbursement processes that identified potential areas for streamlining and consolidation. The work group concluded that such consolidation would not be worthwhile and recommended other improvements. The work group's study did not deal with the agencies' disability compensation adjudication processes, as recommended in NPR's action item. Therefore, the action item should be considered only partially implemented.
DVA06 Enhance VA Cost Recovery Capabilities			
DVA06.01	VA should revise its policy to allow Medical Care Cost Recovery (MCCR) funds to be used to defray all collection costs for all categories of Veterans Health Administration (VHA) receivables.	1	

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Action item code	Action item text	GAO status code	GAO comments
DVA08 Decentralize Decisionmaking Authority to Promote Management Effectiveness			
DVA08.01	VA Central Office and field managers should jointly develop a management policy framework for all departmental management policy directives.	1	
DVA10 Serve Veterans and Their Families as Customers			
DVA10.02	VA should develop a departmentwide policy for collecting and responding to veterans' suggestions and concerns.	2	VA's Customer Service Plan directs its facilities to collect information about veterans' concerns and identifies staff and computer resources that will track these concerns. The plan specifies few mechanisms for ensuring that concerns are addressed and that problems are corrected.
DVA10.03	VA should develop a comprehensive approach for improving its capacity to respond to its customers' concerns, inquiries, and complaints.	2	VA's Customer Service Plan directs that its facilities conduct customer surveys but does not establish full accountability or procedures to ensure that concerns are addressed.
DVA10.04	VA should develop a comprehensive approach for providing the veterans service organizations (VSO) with a stronger consultative role in policymaking and decisionmaking.	2	Although the current Secretary of Veterans Affairs has demonstrated his interest in using VSOs, written policies would help ensure that future Secretaries continue to consult with VSOs on major decisions.
ED01 Redesign Chapter 1 of the Elementary and Secondary Education Act			
ED01.01	Rigidity in the Chapter 1 program should be replaced by accountability for results.	1	
ED01.02	The disincentives created by the use of standardized testing should be reversed.	1	
ED01.04	Schools and school districts should be permitted to use some Chapter 1 funds to identify needed social services and develop cooperative arrangements with the other agencies that can provide those services.	1	
ED02 Reduce the Number of Programs the Department of Education Administers			
ED02.02	Legislation should be enacted to consolidate the Drug Free Schools and Communities Act and the proposed Safe Schools Act programs into a single, comprehensive, flexible program for safe and drug-free schools.	1	
ED05 Streamline and Improve the Department of Education's Grants Process			
ED05.01	Legislation should be enacted to repeal section 431 of the General Education Provisions Act.	6	Section 431 was not repealed, but major streamlining revisions to the rulemaking process were enacted in P.L. 103-382, Improving America's Schools Act of 1994.

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Action item code	Action item text	GAO status code	GAO comments
ED05.06	The Department of Education should develop materials to explain better to customers how the department reviews applications so that applicants have a better understanding of what happens to an application once it reaches the department.	1	
ED05.08	The Department of Education should initiate immediate steps to further standardize the negotiation process through staff training.	1	
ED05.09	The Department of Education should notify applicants of the status of their applications and funding as early as possible to help applicants plan and, if necessary, seek alternative funding.	2	The process has been speeded up, but there is no evidence that applicants receive notification early enough to pursue other funding.

ED07 Simplify and Strengthen Institutional Eligibility and Certification for Participation in Federal Student Aid

ED07.03	Section 435(m)(1)(B) of the Higher Education Act of 1965 should be amended to avoid the effect of the interpretation of the existing statute made in recent court decisions. The amendment should remove allegations of improper servicing and collection of loans as a basis for contesting the accuracy of cohort default rates.	2	We agree that the action item is substantially completed and that further action is improbable. With legislative changes made in 1993, the rules were relaxed to allow schools to review loan servicing records before the Department of Education determinations became final. But these changes did not eliminate a school's ability to contest the accuracy of its cohort default rate because of improper servicing or collections of loans. No further congressional action is expected on the topic.
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**Appendix II
Status of NPR's Completed Action Items**

Action item code	Action item text	GAO status code	GAO comments
ED11 Build a Professional, Mission-Driven Structure for Research			
ED11.01	<p>The upcoming reauthorization of Office of Educational Research and Improvement (OERI) should include several of the central recommendations from the National Academy of Sciences report. These include: (1) A stable and broad-based advisory board—including outstanding researchers, teachers, principals, parents, and state and local officials—should be established and charged with guiding the agenda-setting process of OERI. (2) The board should identify procedures for contracts and grant peer-review panels that ensure that research merit and programmatic merit of proposals are judged only by those with the appropriate professional expertise. (3) The currently fragmented education research structure (centers, labs, clearinghouses, etc.) and the functional division of research funding (institution-based, individual, etc.) should be replaced as it becomes feasible by a very few education R&D institutes established after the model of the National Institutes of Health. Each should target a specific problem area with a sustained program of R&D that includes field-initiated efforts, institutionally based R&D, and special projects. These institutes should be charged with conducting high-quality R&D in support of the national education goals. (4) A Reform Assistance Office should be established to coordinate the integration and translation of research into reform assistance efforts. (5) OERI should report research findings directly to streamline its work and minimize opportunities for political pressure.</p>	2	Only the action item to create an advisory board was enacted.
ED12 Develop a Strategy for Technical Assistance and Information Dissemination			
ED12.02	<p>The Department of Education should create multipurpose technical assistance centers that serve several programs and focus on a variety of issues, in contrast to those related to specific programs.</p>	1	
ED12.04	<p>The Department of Education should establish the laboratories as institutions directed toward assisting state and local education agencies as they plan and implement systemic reform.</p>	1	
ENV02 Develop Cross-Agency Ecosystem Planning and Management			
ENV02.03	<p>Conduct management and budget reviews for the ecosystem management projects as part of the fiscal year 1995 budget process.</p>	1	

(continued)

Appendix II
Status of NPR's Completed Action Items

Action item code	Action item text	GAO status code	GAO comments
ENV02.04	Establish regional ecosystem management teams for each of the cross-agency ecosystem management projects.	1	
ENV03 Increase Energy and Water Efficiency			
ENV03.01	Issue a directive on energy and water efficiency in federal facilities.	1	
ENV03.02	Propose legislation to allow DOD to retain savings generated through water efficiency projects.	1	
ENV04 Increase Environmentally and Economically Beneficial Landscaping			
ENV04.01	Issue a directive to require the use of environmentally beneficial landscaping at federal facilities and federally funded projects, where appropriate.	1	
EOP01 Delegate Routine Paperwork Review to the Agencies and Redeploy OMB's Resources More Effectively			
EOP01.01	OMB should reduce the federal paperwork burden through programmatic reviews of the cumulative impact of the paperwork burden on categories of respondents.	1	
EOP01.02	OMB should employ delegations of authority and other mechanisms to reduce unnecessary paperwork burdens and manage useful information.	1	
EOP01.03	OMB and other federal agencies should make greater use of public opinion to evaluate paperwork burden reduction efforts.	1	
EOP04 Improve Federal Advisory Committee Management			
EOP04.02	OMB should establish goals to stabilize the number of advisory committees for the next 5 years and to reduce advisory committee operations costs by 5 percent.	1	
EOP05 Reinvent OMB's Management Mission			
EOP05.03	OMB should work with agencies to develop a system for "red-flagging" and correcting special high-risk situations.	1	
EOP09 Establish a Customer Service Bureau in the Executive Office of the President (EOP)			
EOP09.01	The Office of Administration should establish a small, one-stop-shopping Customer Service Bureau to increase the effectiveness of administrative support within EOP.	1	

(continued)

**Appendix II
Status of NPR's Completed Action Items**

Action item code	Action item text	GAO status code	GAO comments
EOP12 Improve Administrative Processes			
EOP12.01	EOP should modernize and streamline its mail processing operation.	1	
EOP12.03	OA should modernize its supply management operations by further implementing and upgrading its baseline automated supply system.	1	
EOP12.04	OA should create one-stop-shopping to meet publishing and printing needs for EOP agencies.	1	
EPA01 Improve Environmental Protection Through Increased Flexibility for Local Governments			
EPA01.02	The Environmental Protection Agency (EPA) should convene a series of town meetings across the United States with environmental and other citizen groups and local officials to ensure that outside input is considered before regulatory reform recommendations are finalized.	1	
EPA01.03	EPA should establish a pilot project that will assist one community to assess its environmental and community health risks in directing resources to priority problems.	1	
EPA02 Streamline EPA's Permit Program			
EPA02.03	EPA should identify, by June 1994, statutes that prevent flexibility in permitting and report to the Administrator for follow-up action.	6	In July 1994, EPA established the Permits Improvement Team to improve environmental permitting processes. In January 1995, the team briefed the EPA Deputy Administrator on its activities, including planned efforts to identify barriers to streamlining permits and to suggest appropriate response actions. In October 1995, the team published for review and comment a final draft concept paper. The paper (1) discussed statutes that the team reviewed to identify barriers to flexibility in permitting and (2) presented a new approach to environmental permitting. As of February 1996, the draft concept paper was undergoing final agency review.

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Status of NPR's Completed Action Items**

Action item code	Action item text	GAO status code	GAO comments
EPA02.04	EPA should develop a cross-program permit tracking system pilot with one state and one region by June 1994.	6	In April and October 1995, EPA's Permits Improvement Team, established by the Administrator in July 1994, prepared draft concept papers that discussed automated permit tracking systems identified at state and regional levels. According to agency officials, EPA (1) is assessing these systems in lieu of developing a separate tracking system pilot and (2) plans to share the results with state and regional officials through the National Environmental Performance Partnership System agreed to between EPA and the states in May 1995. As of February 1996, the team's draft concept paper was undergoing final agency review.
EPA03 Shift EPA's Emphasis Toward Pollution Prevention and Away From Pollution Control			
EPA03.08	EPA should work cooperatively with the Department of Agriculture (USDA), the Food and Drug Administration, and other agencies to develop a national strategy to promote more efficient use of pesticides and fertilizers.	1	
EPA03.09	EPA should develop a plan for implementing the two pending executive orders on pollution prevention and recycling so that it can carry out its role and work jointly with other federal agencies, as outlined in the executive orders.	1	
EPA05 Increase Private Sector Partnerships to Accelerate Development of Innovative Technologies			
EPA05.01	EPA should develop an action plan with specific milestones, by mid-1994, for improving the regulatory and statutory climate for innovative technologies.	6	In December 1994, we reported that the EPA Administrator announced the U.S. EPA Environmental Technology Initiative: FY 1994 Program Plan and the Technology Innovation Strategy as a combined action plan for developing public-private partnerships to accelerate the development of environmental technologies. We also reported that milestones were being set for the various projects under the action plan. In February 1996, EPA provided us with example project records showing specific milestones.
EPA05.03	EPA should develop and promote a series of monographs to assist industry in identifying pollution prevention opportunities and making informed, responsible design choices.	1	
EPA07 Establish Measurable Goals, Performance Standards, and Strategic Planning Within EPA			
EPA07.01	By April 1994, EPA should prepare measurable internal goals to provide direction for assessing and redirecting existing EPA strategies where needed.	1	

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Appendix II
Status of NPR's Completed Action Items

Action item code	Action item text	GAO status code	GAO comments
EPA07.02	By April 1995, EPA should draft measurable environmental goals for the range of environmental problems the United States faces.	1	
EPA08 Reform EPA's Contract Management Process			
EPA08.01	EPA should fully implement performance standards for contract management advocated by the standing committee, the OMB review, and the EPA Administrator by January 1994.	1	
EPA09 Establish a Blueprint for Environmental Justice Through EPA's Operations			
EPA09.01	EPA should develop, by mid-1994, a blueprint of actions that will incorporate environmental justice considerations into all aspects of EPA operations.	1	
EPA09.02	EPA should prepare an annual report providing analysis of the progress it has made regarding environmental justice and should develop appropriate remedies for communities that have suffered environmental injustice.	1	
EPA10 Promote Quality Science for Quality Decisions			
EPA10.01	EPA should work to establish guidelines for professional development and promotion of scientific and technical staff.	1	
EPA10.02	EPA should expand the use of peer review and quality assurance procedures to promote excellence in science.	1	
EPA10.03	The EPA Administrator should assess the organizational effectiveness and appropriate structures of EPA's laboratories.	1	
EPA10.04	EPA should develop a plan to integrate opportunities for increased scientific communications within and outside EPA.	1	
EPA11 Reorganize EPA's Office of Enforcement			
EPA11.01	EPA should implement the administrator's headquarters enforcement reorganization proposal.	1	
FEMA01 Shift Emphasis to Preparing for and Responding to the Consequences of All Disasters			
FEMA01.01	The Federal Emergency Management Agency (FEMA) should continue to shift emphasis to preparation for and response to the consequences of all disasters.	1	

(continued)

**Appendix II
Status of NPR's Completed Action Items**

Action item code	Action item text	GAO status code	GAO comments
FEMA01.02	The Director of FEMA should review the agency's classified responsibilities and ensure that they do not detract from its unclassified mission of general disaster preparedness. As part of that review, the director should ensure the maintenance of a single point of contact to manage the scaled-down enduring constitutional government programs.	1	
FEMA02 Develop a More Anticipatory and Customer-Driven Response to Catastrophic Disasters			
FEMA02.03	FEMA should reexamine its field structure in relation to the agency's mission.	1	
FEMA03 Create Results-Oriented Incentives to Reduce the Costs of a Disaster			
FEMA03.04	Grants for mitigation and preparedness should fund preparedness for the greatest risks.	1	
FEMA04 Develop a Skilled Management Team Among Political Appointees and Career Staff			
FEMA04.01	Through organizational restructuring and reordering of priorities, all agency directorates should be responsible to the Director of FEMA for fulfilling the primary agency mission of disaster response.	1	
FEMA04.02	The Director of FEMA should select and develop capable and cohesive executive leaders for the agency.	1	
FEMA04.03	The Director of FEMA should institute a staff career development program.	1	
FM01 Accelerate the Issuance of Federal Accounting Standards			
FM01.01	Issue a comprehensive set of federal financial accounting standards within 18 months.	2	The Federal Accounting Standards Advisory Board is in the process of publishing the one remaining new standard. This will complete a comprehensive set of accounting standards for the federal government.
FM01.02	Create an independent federal financial accounting standards board with the power to develop, publish, and interpret accounting principles and standards for the federal government, if a comprehensive set of accounting standards is not issued within 18 months.	6	Because a comprehensive set of standards is now being completed, this action item is no longer applicable.
FM01.03	Dedicate staff to the Federal Accounting Standards Advisory Board to develop a high-level set of cost accounting standards.	1	

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**Appendix II
Status of NPR's Completed Action Items**

Action item code	Action item text	GAO status code	GAO comments
FM02 Clarify and Strengthen the Financial Management Roles of OMB and Treasury			
FM02.01	Develop a memorandum of understanding (MOU) to clarify central agency roles and responsibilities for financial management.	6	OMB's and the CFO Council's Federal Financial Management Status and 5-Year Plan discusses the central agencies' and the CFOs' roles in improving financial management. Also, Treasury, OMB, and we share a general consensus on major federal financial management issues that need to be addressed. While no formal MOU has been finalized, in response to this action item, Treasury and OMB officials are meeting on a monthly basis to ensure ongoing communication. Top officials from all three agencies have also held a series of meetings with CFOs and IGs at all 24 CFO Act agencies to help ensure that the responsibilities for the financial statement audits and other financial management objectives of the CFO Act are met.
FM02.02	Develop and publish a strategic plan for improving financial management.	1	
FM02.03	Create a governmentwide budget and financial information steering group.	1	
FM02.04	Develop and publish a definition of an integrated budget and financial system.	1	
FM02.05	Develop an integrated budget and financial information strategic plan.	3	The Joint Financial Management Improvement Program Framework describes the basic elements of a model for an integrated financial management system. It is intended to be a reference tool and does not include specific objectives, detailed steps for achieving those objectives, milestone dates, or points of responsibility for meeting milestones—all necessary parts of a sound strategic plan.
FM03 Fully Integrate Budget, Financial and Program Information			
FM03.04	Establish a clearinghouse of financial systems applications, cross-servicing, and best practices.	1	

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Action item code	Action item text	GAO status code	GAO comments
FM04 Increase the Use of Technology to Streamline Financial Services			
FM04.05	Issue all payments to individuals through electronic funds transfer (EFT) or electronic benefits transfer (EBT).	2	The Government Management Reform Act of 1994 (GMRA) requires that agencies pay individuals through EFT, unless another method has been determined by the Secretary of the Treasury to be appropriate. GMRA does not address EBT. The Federal Electronic Benefits Transfer Task Force published <u>From Paper to Electronic: Creating a Benefit Delivery System That Works Better and Costs Less</u> in May 1994, which outlines an implementation plan for nationwide EBT. The task force is also providing leadership for the development of an integrated, nationwide EBT payment system that is expected to eventually be developed and rolled out nationwide.
FM06 "Franchise" Internal Services			
FM06.01	Implement franchising for service functions at the agency head's discretion.	3	OMB forwarded to Congress a proposal for five pilot franchise funds. As of January 16, 1996, OMB had not received approval for the pilots. (Note: On February 28, 1996, OMB obtained congressional approval for five pilot franchise funds.)
FM06.02	Establish an implementation team under the President's Management Council.	6	We consider the intent of this recommendation to have been met because the CFO Council, rather than the President's Management Council, is working with OMB to develop guidance for agencies applying for franchise fund pilots.
FM07 Create Innovation Funds			
FM07.03	Convene a working capital fund forum.	1	
FM09 Simplify the Financial Reporting Process			
FM09.01	Propose legislation to permit OMB, in consultation with appropriate congressional committees, to have the flexibility to consolidate and simplify statutory reports to Congress and the President.	1	

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Action item code	Action item text	GAO status code	GAO comments
FM10 Provide an Annual Financial Report to the Public			
FM10.03	Develop a method of identifying and budgeting for the expected costs of contingent liabilities of the federal government.	2	The recently published Statement of Federal Financial Accounting Standards, "Accounting for Liabilities of the Federal Government" addresses identification and accounting for contingent liabilities in the federal government. However, the standard does not cover budgeting for contingent liabilities.
FM11 Strengthen Debt Collection Program			
FM11.07	Establish performance agreements on each major loan and debt collection program.	3	Although a few agencies have begun efforts to develop performance measures, no consensus has been achieved by the credit program managers on what measures should be included in performance agreements. The Federal Credit Policy Working Group is in the process of developing performance measures to manage loan and debt collection, but much remains to be done before this recommendation is fully implemented.
FSL01 Improve the Delivery of Federal Domestic Grant Programs			
FSL01.03	Establish a Cabinet-level Enterprise Board to oversee new initiatives in community empowerment.	1	
FSL02 Reduce Red Tape Through Regulatory and Mandate Relief			
FSL02.02	Issue a regulatory executive order addressing the problems of unfunded federal mandates and regulatory relief.	1	On March 22, 1995, the Unfunded Mandates Reform Act of 1995 (P.L. 104-4), was enacted into law. This statute may have superceded, in whole or in part, the executive order.
FSL03 Simplify Reimbursement Procedures for Administrative Costs of Federal Grant Disbursement			
FSL03.01	Modify OMB Circular A-87 to provide a fee-for-service option in lieu of cost reimbursement.	1	
FSL05 Simplify Administration by Modifying the Common Grant Rules on Small Purchases			
FSL05.01	Modify OMB Circular A-102 to require that the common grants management rules increase the dollar threshold for small purchases by local governments from \$25,000 to \$100,000.	1	
FSL06 Strengthen the Intergovernmental Partnership			
FSL06.01	Reinvent the Advisory Commission on Intergovernmental Relations and charge it with responsibility for continuous improvement in federal, state, and local partnership and intergovernmental service delivery.	1	

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Action item code	Action item text	GAO status code	GAO comments
GSA01 Separate Policymaking From Service Delivery and Make the General Services Administration (GSA) a Fully Competitive, Revenue-Based Organization			
GSA01.01	Separate policymaking and oversight from service delivery and fund policymaking from direct appropriations.	1	
GSA01.02	Allow agencies to choose whether to purchase GSA services and fund GSA service delivery from customer revenues.	2	Federal agencies do not yet have the freedom to purchase real property, telecommunications, and certain other information technology services from alternative sources. GSA has committed to ending its service monopolies in these areas and seems to be moving in that direction. Also, GSA is exploring the most cost-effective methods of carrying out all of its support-services functions.
GSA01.04	Suspend acquisition of net new office space and courthouses.	1	As part of its Time Out and Review Initiative in late 1993 and early 1994, GSA suspended all new acquisitions of space and reported overall savings of over \$1.3 billion, including \$324 million from reducing or rescoping 43 courthouse construction projects. Although GSA's moratorium on net new office space remains in effect, Congress continues to authorize, and GSA continues to construct, new courthouses, and additional courthouses are planned over the next 10 years to meet expanding court needs. Our November 1995 testimony on the multibillion-dollar federal courthouse construction program (1) recognized that GSA and the judiciary have actions under way to improve the planning and oversight of these projects; and (2) made several recommendations to further improve courthouse planning, promote better decisionmaking, and reduce courthouse construction costs.
GSA01.06	Improve GSA service delivery.	2	GSA has taken and continues to take a number of actions to improve service delivery, but few of these actions have been completed. For example, GSA has reorganized its Public Buildings Service, which is now implementing recommendations from an extensive business process reengineering initiative. GSA also has actions under way to improve its supply and procurement, information technology, and telecommunications services to federal agencies. In addition, GSA is determining the most cost-effective method of carrying out each of its 15 major business lines and expects to make reform proposals later this year.

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**Appendix II
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Action item code	Action item text	GAO status code	GAO comments
HHS02 Reengineer the Health and Human Services (HHS) Process for Issuing Regulations			
HHS02.01	HHS should use planning and control procedures to encourage the prompt adoption of regulations and to promote the efficient use of available department resources.	1	
HHS02.02	In drafting regulations affecting programs for which administrative responsibility is shared with states, HHS should solicit assistance from states and other interested parties about the nature and extent of the relevant administrative matters.	1	
HHS02.03	In instances of OMB review of HHS regulation, an OMB analyst should be assigned as a liaison to each agency within HHS.	1	
HHS02.05	HHS should consolidate its internal reviews to reduce multiple layers of reviewers in the current process.	1	
HHS02.06	In instances when the states' deadline for program implementation will precede the publication of regulations, HHS should institute a program similar to IRS' private letter ruling process.	6	HHS already has processes in place that serve this purpose. HHS has issued instructions to be followed when states' deadlines for program implementation precede the publication of regulations. Examples of these instructions include disseminating information on states' deadlines through (1) initial Federal Register notices announcing the program, (2) informative materials in application packages, and (3) letters containing information and/or guidance to states or other grantees.
HHS02.07	HHS should selectively initiate regulatory development work even before a statute is enacted, using the version of legislation most likely to be enacted as a template.	6	HHS has other measures in place that fulfill this action item. HHS begins regulatory work before enactment when a new or revised program is likely to be needed in an unusually short time frame. HHS program components are responsible for drafting regulations and for monitoring the status of legislation. The program components decide when to devote limited staff resources to drafting regulations in anticipation of enactment.
HHS12 Strengthen Departmentwide Management			
HHS12.01	HHS should conduct a comprehensive review of organization structure and management systems to determine what the appropriate balance should be between centralized and decentralized functions.	1	
HHS12.02	HHS should identify opportunities for delegating appropriate authority and responsibility to the lowest possible level.	1	

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Action item code	Action item text	GAO status code	GAO comments
HHS13 Review the Field and Regional Office Structure of HHS and Develop a Plan for Shifting Resources to Match Workload Demands			
HHS13.01	HHS should conduct a comprehensive review of all HHS regional and field office structures, functions, and resource allocations to determine their appropriateness.	1	
HHS13.02	HHS should clarify the mission for each regional office and for field stations in terms of program intent and client needs, eliminate redundant operations, and empower local staff with decisionmaking authority.	1	
HRM06 Clearly Define the Objective of Training as the Improvement of Individual and Organizational Performance; Make Training More Market-Driven			
HRM06.01	Deregulate training and make it more responsive to market sources.	2	On March 30, 1994, Congress passed P.L. 103-226, the Federal Workforce Restructuring Act of 1994, which significantly loosened statutory restrictions on training. OPM plans to issue implementing regulations, but these regulations have not yet been proposed.
HRM07 Enhance Programs to Provide Family Friendly Workplaces			
HRM07.01	Implement family friendly workplace practices while continuing to ensure accountability for quality customer service.	2	Although a presidential memorandum was issued on July 11, 1994, directing agencies to encourage and support the expansion of family friendly work arrangements, it has not yet been demonstrated that family friendly workplace practices are fully implemented. NPR reports that 35 agencies have some form of family friendly work place arrangements. It says that these run the gamut from minimal efforts, such as making family friendly activities the collateral duty of an individual staff member, to more comprehensive efforts to implement alternative work schedules and other family friendly policies.
HRM07.04	Allow employees to use sick leave to care for dependents.	1	
HRM07.05	Give returning employees credit for previously accrued unused federal sick leave.	1	
HRM07.07	Reauthorize voluntary leave transfer/bank programs.	1	

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Action item code	Action item text	GAO status code	GAO comments
HRM12 Eliminate Excessive Red Tape and Automate Functions and Information			
HRM12.01	Phase out the entire Federal Personnel Manual (FPM) and all agency implementing directives.	2	This action item has two parts, one of which has been fully implemented, and another that has been partially implemented. FPM was abolished in January 1994; however, the action item calls for all agency implementing directives to be abolished as well. According to NPR, 23 agencies had initiatives under way to reduce their implementing directives.
HRM13 Form Labor-Management Partnerships for Success			
HRM13.01	The President should issue an executive order that identifies labor-management partnership as a goal of the executive branch and establishes the National Partnership Council.	1	
HRM14 Provide Incentives to Encourage Voluntary Separations			
HRM14.01	Provide departments and agencies with the authority to offer separation pay.	1	
HRM14.02	Decentralize the authority to approve early retirement.	2	While OPM has increased agency prerogatives on how early retirement can be administered, it has retained the responsibility for approving agency early retirement authorization requests.
HRM14.04	Expand outplacement services.	1	
HRM14.05	Limit annual leave accumulation by senior executives to 240 hours.	2	The Government Management Reform Act, enacted on October 13, 1994, limited senior executives' annual leave accumulation to 720 hours, rather than the 240-hour limitation recommended by NPR.
HUD01 Reinvent Public Housing			
HUD01.02	HUD should work closely with local public housing authorities, their national organizations, public housing tenant representatives, and state and local government officials to eliminate unnecessary HUD requirements and procedures.	1	
HUD01.04	HUD should make a hard-hitting, targeted effort to resolve the severe difficulties of those few public housing agencies identified as problem public housing authorities.	1	

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Status of NPR's Completed Action Items**

Action item code	Action item text	GAO status code	GAO comments
HUD02 Improve Multifamily Asset Management and Disposition			
HUD02.03	Statutory restrictions on HUD disposition of multifamily properties held as a result of Federal Housing Administration (FHA) insurance programs should be relaxed; HUD should be authorized to assist affected tenants with portable subsidies (as opposed to assistance tied to the project or unit) when appropriate.	1	
HUD03 Improve Single-Family Asset Management and Disposition			
HUD03.01	HUD should be authorized to use the Mutual Insurance Fund for any cost-effective expenditure needed to maximize the value of the fund, including all expenditures recommended through other HUD03 action items.	1	
HUD05 Establish a New Housing Production Program			
HUD05.01	HUD should stimulate multifamily housing development through risk-sharing with housing finance agencies.	1	
HUD05.02	HUD should stimulate multifamily housing production by helping to develop a secondary market for loans on multifamily properties.	2	Four financial institutions were selected to help further develop a secondary market for loans on multifamily properties through a risk-sharing demonstration program with FHA. As of January 30, 1996, only one of these institutions had actually closed loans under the program, and that institution had closed only two loans. Moreover, the other three institutions had at least temporarily suspended their participation. Consequently, there has been little stimulus to the secondary market as a result of the demonstration program to date.

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Action item code	Action item text	GAO status code	GAO comments
HUD05.05	HUD should make cost-effective investments in professional financial management.	2	While HUD has taken actions to address this action item, these actions are not sufficient to fully implement the action item. The narrative description supporting this action item in NPR's report, <u>Creating a Government That Works Better and Costs Less: Department of Housing and Urban Development</u> (Sept. 1993), states that HUD should be given the resources to make cost-effective investments to improve FHA's automated systems and internal controls, develop the financial and technical skills of FHA employees and attract private sector expertise, and take advantage of new workplace technology. To address this item, HUD has taken actions such as providing financial training to asset managers; however, actions in other areas, such as developing improved automated systems to support multifamily housing operations, are still in the formative stages. Furthermore, Congress has not yet acted on HUD's legislative proposal to "reinvent" FHA—a key purpose of which is enhancing FHA's ability to obtain the resources it needs to carry out its operations effectively.
HUD06 Streamline HUD Field Operations			
HUD06.01	HUD should participate in the multiple agency field office restructuring effort.	1	
HUD06.02	Program field staff should report more directly to responsible program assistant secretaries.	1	
HUD06.04	HUD should continue to delegate specific grant award decisionmaking to the states and localities, as is the case with the Community Development Block Grant Program and the new HOME Investment Partnerships Program.	1	
HUD06.05	No one should be laid off as a result of this office consolidation. A full attrition program should apply in the field until an appropriate level of staffing is achieved.	1	
HUD08 Reduce Section 8 Contract Rent Payments			
HUD08.03	HUD should be given legislative authority to require owners to document and justify all operating costs, so that requested increases to cover certain costs (e.g., taxes and fuel) can be offset, if appropriate, against known reductions in other costs, such as debt service or maintenance.	3	Draft legislation would have given HUD the authority to base rent increases on the actual operating costs of the rental properties. However, this legislation was part of a legislative proposal not enacted in 1995 that offset, if appropriate, against known reductions in other costs, included significant reforms throughout HUD. Similar comprehensive reforms, including the proposed rent revision, are likely to be reintroduced in 1996.

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Action item code	Action item text	GAO status code	GAO comments
HUD10 Reduce Operating Subsidies for Vacancies			
HUD10.01	HUD should establish an agency goal of achieving an average 97-percent occupancy rate in units owned and managed by public and Indian housing authorities by the end of fiscal year 1999.	1	
ICS01 Create Customer-Driven Programs in all Departments and Agencies that Provide Services Directly to the Public			
ICS01.01	Establish an overall policy for the quality of federal services delivered to the public and initiate customer service programs in all agencies that provide services directly to the public.	2	Executive Order 12862, dated September 11, 1993, established an overall policy for the quality of federal services delivered to the public. In 1994, a total of 150 agencies that provide services directly to the public published customer service standards; in 1995, the number increased to 214. According to an NPR official, although agencies that have significant interaction with the public have published customer service standards, not all agencies that provide services directly to the public have initiated customer service programs.
ICS02 Customer Service Performance Standards—Internal Revenue Service (IRS)			
ICS02.01	As part of its participation in NPR, IRS should publish customer service performance standards, to include the following examples: (1) A refund due on your paper return will be mailed within 40 days; a refund due on your electronic return will be mailed within 21 days when you request a check, or sent within 14 days when you specify direct deposit. (2) Our goal is to resolve your account inquiries in a single contact; if you have a repeat problem you can contact the Problem Resolution Office, which will resolve the problem in an average of 21 days. (3) When you provide sufficient and correct information to an IRS tax assistor and get an incorrect answer, we will cancel related penalties. (4) Let us know where our tax forms or instructions are confusing or difficult—by 1995, we plan to boost the clarity of tax forms and instructions so that 90 percent of individual returns are error-free.	1	

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Action item code	Action item text	GAO status code	GAO comments
ICS03 Customer Service Performance Standards—Social Security Administration (SSA)			
ICS03.01	As part of its participation in NPR, SSA should publish nationally and post in each of its offices the following performance standards for customer service: (1) You will be treated with courtesy every time you contact us. (2) We will provide you with all the information you need in order to understand SSA programs, including your own potential for benefits. (3) We will also provide you with information about other social service programs that may help you. (4) When you call our 1-800 service for information or help, you will reach us on the first call.	1	
ICS05 Streamline Ways to Collect Customer Satisfaction and Other Information from the Public			
ICS05.01	For voluntary customer surveys, OMB will delegate its survey approval authority under the Paperwork Reduction Act to departments that are able to comply with the act.	1	
ICS05.02	The Administrator of the Office of Information and Regulatory Affairs (OIRA) should issue guidance on focus groups, specifically establishing under what circumstances group discussion activities would be excluded from OIRA review.	1	
INTEL01 Enhance Intelligence Community Integration			
INTEL01.01	The Director of Central Intelligence (DCI) and the Deputy Secretary of Defense should hold a visioning conference to determine the intelligence community's mission in the post-Cold War world.	5	In January 1996, we contacted the NPR point of contact for the Director of Central Intelligence to verify the implementation of the NPR action items for intelligence. In response to that request, CIA's Office of Congressional Affairs declined to provide us with access to the implementation documents, citing CIA's view that intelligence oversight is generally limited to specific congressional committees. CIA's Office of Congressional Affairs did note that status information regarding all intelligence community actions has been provided directly to the administration's NPR staff.
INTEL01.02	The DCI and the Deputy Secretary of Defense should strengthen the intelligence community's Executive Committee by holding periodic principals-only meetings to address fundamental policy issues and strategic direction.	5	See comments to INTEL01.01.
INTEL01.03	The DCI should review the contribution of Intelligence Centers to the goal of better community integration and execution processes.	5	See comments to INTEL01.01.

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Action item code	Action item text	GAO status code	GAO comments
INTEL02 Enhance Community Responsiveness to Customers			
INTEL02.01	The DCI should appoint a customer advocate, or ombudsman.	5	See comments to INTEL01.01.
INTEL02.02	The DCI should establish a process that continuously tracks the needs of the intelligence community customer.	5	See comments to INTEL01.01.
INTEL02.04	The Community Public Affairs Office should jointly develop programs to inform the general public about the value of the services provided by the intelligence community.	5	See comments to INTEL01.01.
INTEL02.05	The DCI should establish an integrated community congressional liaison office. The newly established office should develop a communitywide congressional strategy by January 1994.	5	See comments to INTEL01.01.
INTEL02.06	The new Intelligence Community Intelligence Systems Board should create a multimedia information handling architecture for the intelligence community and its customers.	5	See comments to INTEL01.01.
INTEL02.08	Production managers should encourage the use of the lowest practical level of classification for intelligence community products.	5	See comments to INTEL01.01.
INTEL03 Reassess Information Collection to Meet New Analytical Challenges			
INTEL03.01	The Foreign Broadcast Information Service and the Open Source Coordination Office should reexamine the mission of the Foreign Broadcast Information Service.	5	See comments to INTEL01.01.
INTEL03.03	The new Intelligence Community Systems Board should create a multimedia information handling architecture for the intelligence community to facilitate real-time communications between analysts and collectors here and abroad in the interest of pinpointing collection gaps and weaknesses.	5	See comments to INTEL01.01.
INTEL03.06	The National Intelligence Council should strengthen its role in conceptualizing analytic issues facing the community, encouraging the development of alternative analyses, and improving the perception of it as a community body rather than CIA.	5	See comments to INTEL01.01.
INTEL04 Integrate Intelligence Community Information Management Systems			
INTEL04.01	The Director of Central Intelligence and the Secretary of Defense should replace DOD's Intelligence Systems Council with an intelligence community organization chaired by the Executive Director for Intelligence Community Affairs and the Deputy Assistant Secretary of Defense (Intelligence).	5	See comments to INTEL01.01.

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Action item code	Action item text	GAO status code	GAO comments
INTEL04.02	The new Community Intelligence Systems Board (ISB) should impose an immediate moratorium on all new community information management initiatives or upgrades to current systems until a transition plan is developed and basic standards agreed upon. Waivers may be granted by the DCI/Deputy Secretary of Defense based on valid justification.	5	See comments to INTEL01.01.
INTEL04.03	The new Community ISB should establish a Dissemination Working Group to act as the focal point for the receipt, review, and validation of all intelligence community dissemination needs.	5	See comments to INTEL01.01.
INTEL05 Develop Integrated Personnel and Training Systems			
INTEL05.03	The Community Foreign Language Committee should set communitywide language proficiency standards, recognizing that individual agencies will continue to have unique operational requirements that mandate specialized training and testing.	5	See comments to INTEL01.01.
INTEL06 Merge the President's Intelligence Oversight Board With the President's Foreign Intelligence Advisory Board			
INTEL06.01	The President should issue an executive order to terminate the President's Intelligence Oversight Board and assign its functions to a standing subcommittee of the President's Foreign Intelligence Advisory Board.	5	See comments to INTEL01.01.
INTEL07 Improve Support to Ground Troops During Combat Operations			
INTEL07.01	The Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and the DCI should establish a reinvention lab to address these issues.	5	See comments to INTEL01.01.
INTEL07.02	The Secretary of Defense and the DCI should appoint a small group of neutral monitors to coach the process.	5	See comments to INTEL01.01.
INTEL07.03	The reinvention lab will report its findings to the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and the Director of Central Intelligence in September 1994.	5	See comments to INTEL01.01.
IT02 Implement Nationwide, Integrated Electronic Benefit Transfer (EBT)			
IT02.01	Design an integrated EBT implementation plan.	1	
IT04 Establish a National Law Enforcement/Public Safety Network			
IT04.01	Formalize the Federal Law Enforcement Wireless Users Group.	1	

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Status of NPR's Completed Action Items**

Action item code	Action item text	GAO status code	GAO comments
IT12 Provide Incentives for Innovation			
IT12.01	Retain a portion of agency information technology savings for reinvestment.	3	While OMB has asked agencies to identify restructuring or process reengineering activities resulting from information technology investments that yield budgetary savings, there is currently no formal process for recognizing information technology-derived monetary savings. An earlier legislative proposal by the administration to establish an innovation fund to carry out this action item was not enacted.
IT13 Provide Training and Technical Assistance in Information Technology to Federal Employees			
IT13.02	Require minimum competency in information technology for Senior Executive Service (SES) candidates.	1	
IT13.03	Require information resource management (IRM) managers to meet certification standards.	3	There is currently no requirement for federal IRM managers to meet certification standards. OMB, which has responsibility under the Information Technology Management Reform Act of 1996 for overseeing IRM training development, should (1) ensure that the requirement is established, (2) set goals and time frames for meeting this requirement, and (3) establish the means to measure progress toward fulfilling the requirement. GSA has established a certification process for federal IRM managers in cooperation with 13 universities and colleges.
IT13.05	Include training as part of all information technology contracts and acquisitions.	3	GSA has taken the lead on this action item and has published guidance on how information technology training can be provided to federal agency employees. However, the guidance contains no requirement for the inclusion of training as part of information technology contracts and acquisitions. GSA maintains that it does not have the authority to mandate that agencies include technical training in their information technology contracts and acquisitions.
NASA01 Improve NASA Contracting Practices			
NASA01.01	NASA regulations should be modified to provide for greater emphasis on the selection of appropriate contract type, to make better use of positive and negative incentives to contractors through award fee contracts, and to consider increasing contractor liability for correction of defects in materials and workmanship or other failures to conform to contract requirements.	1	

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Action item code	Action item text	GAO status code	GAO comments
NASA01.02	NASA and other government agencies should consider contracting out for data instead of hardware.	1	
NASA01.03	NASA should extend the use of its Cooperative Research Agreement solicitation instrument to for-profit, as well as nonprofit and educational, organizations to exploit new high-performance computing technology more quickly.	1	
NASA02 Increase NASA Technology Transfer Efforts and Eliminate Barriers to Technology Development			
NASA02.02	The State Department should publish a notice in the <u>Federal Register</u> to establish its goals for expediting the processing of export license applications.	1	
NASA02.04	NASA should implement its New Technology Investments Program through the use of industry-led efforts that will create and apply new technology to NASA programs as well as to the commercial marketplace.	1	
NASA03 Increase NASA Coordination of Programs With the U.S. Civil Aviation Industry			
NASA03.01	NASA should develop a closer relationship with the U.S. civil aviation industry and government partners to ensure that industry needs are addressed early and throughout the technology development process and to maximize investment through fast and efficient technology transfer activities. In pursuing this objective, NASA should: (1) ensure that promising technologies are fully developed, through validation where necessary, to reduce the risk to industry of commercialization efforts; (2) increase industry participation and involvement in all phases of the R&D process, from planning to implementation as well as in the evaluation of results; and (3) improve its responsiveness to specific industry needs through increased flexibility of services and resources (facilities and people) and programmatic objectives.	1	
NASA04 Strengthen and Restructure NASA Management			
NASA04.01	NASA should aggressively complete its overhaul of the space station program management, reducing the number of total contractor and civil service staff by approximately 30 percent and reducing the number of government employees working on the space station program to approximately 1,000 (a reduction of 1,300 employees over the current program).	1	

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Action item code	Action item text	GAO status code	GAO comments
NASA04.03	NASA should aggressively reposition its staff to meet the agency's new challenges.	1	
NASA04.04	NASA should restructure its internal management processes for program formulation and implementation by formally instituting its Program Management Council to be chaired by the deputy administrator.	1	
NASA04.05	NASA should work aggressively with its interagency counterparts to complete a summary report to the administration, by June 1994, identifying federal aerospace facility shortfalls, new facility requirements, consolidation opportunities, and recommendations for closing.	1	
NASA05 Clarify the Objectives of the Mission to Planet Earth Program			
NASA05.01	NASA should use innovative management and streamlined procurement mechanisms to ensure that the Mission to Planet Earth (MTPE) program development costs are contained within existing estimates and that life-cycle costs are minimized.	1	
NASA05.02	NASA should ensure that the development of MTPE is consistent with high-priority national and international science objectives relating to global change research.	1	
NASA05.03	NASA should give emphasis to policymakers in the implementation of the MTPE program.	1	
NASA05.04	NASA should employ innovative development approaches to the Earth Observation System Data and Information System (EOSDIS) program that emphasize evolutionary growth, technology infusion, and direct customer participation.	1	
NASA05.05	NASA should encourage the educational benefits of EOSDIS.	1	
NASA05.06	NASA should assist in ongoing efforts to converge U.S. operational weather satellites, given the benefits of streamlining the collection of weather data across the government.	2	NASA is actively involved in the National Polar-orbiting Operational Environmental Satellite System (NPOESS) and is considering flying some MTPE instruments on NPOESS satellites. However, this is a continuing effort. NASA is participating with DOD and the National Oceanic and Atmospheric Administration in the area of satellite convergence. However, there are signs that NASA's role may change from assisting in technology development to participating in the program. We believe that NASA's ultimate role should be clarified before the action item is considered fully implemented.

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Action item code	Action item text	GAO status code	GAO comments
NSF01 Strengthen Coordination of Science Policy			
NSF01.01	Modify the current Federal Coordinating Council for Science, Engineering, and Technology structure and reconstitute the organization as the National Science and Technology Council to coordinate the development and implementation of science and technology policy.	1	
NSF01.02	The proposed policy council should be created immediately by presidential directive.	1	
PROC01 Reframe Acquisition Policy			
PROC01.01	Convert the Federal Acquisition Regulation (FAR) from rigid rules to guiding principles.	3	An Office of Federal Procurement Policy (OFPP) official told us that although a plan to rewrite FAR was developed in 1994, the FAR rewrite has not advanced as planned. Federal agencies' actions do not constitute "full implementation" because conversion of FAR "from rigid rules to guiding principles" has not occurred. Moreover, there is no consensus on how extensively FAR should be rewritten. However, the Federal Acquisition Regulatory Council published a final rule on July 3, 1995, that amended FAR by adding a Statement of Guiding Principles.
PROC02 Build an Innovative Procurement Workforce			
PROC02.02	Provide civilian agencies with authority similar to DOD's for improving the acquisition workforce.	1	
PROC03 Encourage More Procurement Innovation			
PROC03.01	Provide new legislative authority to test innovative procurement methods.	1	
PROC04 Establish New Simplified Acquisition Threshold and Procedures			
PROC04.01	Enact legislation simplifying procurement.	1	
PROC04.02	Enact legislation simplifying DOD unique procurement requirements.	1	

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Action item code	Action item text	GAO status code	GAO comments
PROC04.03	Establish a single electronic bulletin board capability to provide access to information on contracting opportunities.	3	Many agency initiatives are under way to provide electronic notice of federal contracting opportunities. However, these initiatives have not resulted in a single electronic bulletin board capability. Interim rules implementing the (1) simplified acquisition and the Federal Acquisition Computer Network (FACNET) requirements of the Federal Acquisition Streamlining Act of 1994, title IV and title IX; and (2) use of electronic commerce/electronic data interchange in government contracting were published on July 3, 1995, which took affect that same date. However, officials responsible for designing, developing, and implementing FACNET have not yet determined how a single electronic bulletin board capability for government contracting opportunities will be provided. A number of private companies make available on the Internet, and other electronic mail services, government contracting opportunities exceeding \$25,000 that are listed in Commerce Business Daily.
PROC05 Reform Labor Laws and Transform DOL Into an Efficient Partner for Meeting Public Policy Goals			
PROC05.02	Amend Executive Order 11755 to incorporate convict labor provisions upon repeal of the Walsh-Healey Public Contracts Act.	3	A measure to repeal the Walsh-Healey Public Contracts Act was considered but not included in the final version of the Federal Acquisition Streamlining Act (FASA).
PROC05.03	Provide on-line access to the Davis-Bacon Act wage schedules through an electronic system.	1	
PROC06 Amend Protest Rules			
PROC06.06	Identify and eliminate causes of protests and improve agency processes.	2	GSA's Office of General Counsel identified the most common bases for protests of agency solicitations and contract awards; made suggestions to the Director, OMB, to avoid protests; and developed and publicized education and training materials designed to improve GSA's performance in reducing protests. However, GSA's actions do not constitute "full implementation" because it remains to be seen whether the actions will "eliminate causes of protests and improve agency processes."

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Action item code	Action item text	GAO status code	GAO comments
PROC07 Enhance Programs for Small Business and Small Disadvantaged Business Concerns			
PROC07.02	Authorize civilian agencies to conduct small disadvantaged business set-asides.	1	Section 7102 of FASA authorizes civilian agencies to conduct small disadvantaged business set-aside competitions. However, final implementing regulations remain under review in light of the Supreme Court's decision in <u>Adarand Constructors, Inc. v. Pena</u> , 115 S. Ct. 2097 (1995), which set forth a new standard for evaluating the constitutionality of race-based affirmative action programs and the President's directive of July 19, 1995, that executive agencies review such programs under that standard.
PROC07.04	Demonstrate the continued commitment to small and small disadvantaged businesses through issuance of a presidential directive.	1	
PROC08 Reform Information Technology Procurements			
PROC08.01	Establish an interagency team to develop a plan for improving federal information technology acquisitions.	1	
PROC08.02	Increase information technology delegation of authority to agencies.	1	
PROC08.05	Identify and test innovative procurement strategies that reduce the costs for information technology items.	2	As of April 1994, GSA has required major software publishers to offer their complete line of software under both right-to-copy licensing arrangements and individual license buys through GSA's multiple award schedule program. Previously, only individual license buys could be procured. According to a GSA official, commercial businesses generally use right-to-copy licenses to acquire software because such licenses offer significant savings over individual license buys. According to GSA officials, although the GSA action constitutes identification, test, and implementation of one innovative procurement strategy for software, the agency will continue to look for other opportunities to reduce the cost to the government of information technology items.
PROC09 Lower Costs and Reduce Bureaucracy in Small Purchases Through the Use of Purchase Cards			
PROC09.02	Encourage all government supply sources to accept the purchase card.	1	
PROC09.03	Amend FAR to promote use of the purchase card.	1	Although the FAR provision on micropurchases has been amended to specifically encourage the use of purchase cards, similar encouragement is not reflected elsewhere in FAR for purchases exceeding \$2,500.

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Action item code	Action item text	GAO status code	GAO comments
PROC10 Ensure Customer Focus in Procurement			
PROC10.01	Revise Executive Order 12352 to conform to the new vision for federal procurement.	1	
PROC12 Allow for Expanded Choice and Cooperation in the Use of Supply Schedules			
PROC12.01	Allow state and local governments, grantees, and certain nonprofit agencies to use federal supply contracts.	2	Section 1555 of FASA authorizes the GSA Administrator to provide for the use of federal supply schedules of GSA upon request by state, local, and Indian Tribal governments and by certain nonprofit agencies for the blind and severely disabled. GSA, on April 7, 1995, requested comments on a proposed implementation plan, which included consideration of a phased process to bring newly authorized governmental users on in stages. However, the National Defense Authorization Act for Fiscal Year 1996, which the President signed on February 10, 1996, includes a provision that suspends authority of the GSA Administrator to allow state, local, and Indian Tribal governments to use the federal supply schedules until the later of two dates: (1) the period ending 18 months after the date of enactment of the act and (2) the period ending 30 days after the date the Administrator has considered a GAO report that assesses the effects of state and local governments' use of schedules and submits the report and comments to Congress. On August 16, 1995, a final rule was published that implements section 1555 provisions authorizing nonprofit agencies for the blind or severely disabled providing supplies or services under a Javitts-Wagner-O'Day Act contract to use government supply sources in performing the contract.
PROC13 Foster Reliance On the Commercial Marketplace			
PROC13.01	Make it easier to buy commercial items.	1	
PROC14 Expand Electronic Commerce for Federal Acquisition			
PROC14.02	Amend FAR to facilitate electronic commerce.	1	
PROC15 Encourage Best Value Procurement			
PROC15.03	Train procurement officials on source selection techniques.	1	
PROC18 Authorize Multiyear Contracts			
PROC18.01	Authorize multiyear contracts.	1	

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Action item code	Action item text	GAO status code	GAO comments
PROC18.02	Allow contracts for severable services to cross fiscal years.	1	
PROC19 Conform Certain Statutory Requirements for Civilian Agencies to Those of DOD Agencies			
PROC19.01	Repeal the requirement for commercial pricing certificates and authorize contract awards without discussions.	1	
PROC19.02	Maintain the \$500,000 threshold for cost and pricing data requirements for DOD.	1	
PROC19.03	Establish a \$500,000 threshold for cost and pricing data requirements for civilian agencies.	1	
PROC20 Streamline Buying for the Environment			
PROC20.03	Encourage multiple award schedule contractors to identify environmentally preferable products.	1	
PROC20.04	Provide energy efficiency information in GSA and Defense Logistics Agency catalogs and automated systems.	1	
PROC20.05	Encourage multiple award schedule contractors to identify equipment that meets the EPA Energy Star requirements.	1	
PROC20.06	Encourage federal agency use of areawide utility contracts for energy audits.	1	
PROC20.07	Establish indefinite delivery contracts for energy retrofit services.	1	
QUAL01 Provide Improved Leadership and Management of the Executive Branch			
QUAL01.02	Direct department and agency heads to designate chief operating officers.	1	
QUAL01.03	Establish a President's Management Council.	1	
REG01 Create an Interagency Regulatory Coordinating Group			
REG01.01	Create an interagency Regulatory Coordinating Group to share information and coordinate approaches to regulatory issues.	1	
REG02 Encourage More Innovative Approaches to Regulation			
REG02.01	Establish use of innovative regulatory approaches as administration policy.	1	
REG03 Encourage Consensus-Based Rulemaking			
REG03.01	Increase the use of negotiated rulemaking.	1	

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Action item code	Action item text	GAO status code	GAO comments
SBA02 Improve Assistance to Minority Small Businesses			
SBA02.02	The Small Business Administration (SBA) Administrator should streamline the 8(a) application process to reduce the amount of time involved.	6	The Small Business Act requires SBA to process applications to the 8(a) program within 90 days or less. As of January 16, 1996, SBA had reduced the average processing time for these applications from 208 days 3 years ago to about 93 days. Although SBA streamlined the application process and provided extensive in-house training for program staff, the 8(a) program office attributed the decline in the processing time primarily to a new commitment and change in attitude on the part of SBA staff toward processing the applications. Over the next several months, SBA plans to eliminate its application backlog and reduce the processing time for 8(a) applications below the 90-day level.
SBA02.05	The Small Business Act should be amended to require federal procuring agencies to use their existing authority to provide advance payments on 8(a) contracts, when such funding is necessary to contract performance.	4	No effort has been made to amend the Small Business Act to require federal agencies to use their existing authority to provide advance payments to 8(a) contractors.
SBA02.06	The Small Business Act should be amended to provide civilian agencies the same authority that DOD currently has for its own "Small Disadvantaged Business Set-Aside" program.	1	Section 7102 of the Federal Acquisition Streamlining Act of 1994 (P.L. 103-355) authorized a governmentwide Small Disadvantaged Business Set-Aside program. As of January 16, 1996, regulations to implement this program were pending because of a 1995 Supreme Court decision that set forth a new standard for evaluating the constitutionality of race-based affirmative action programs and the President's directive that executive agencies review such programs under this standard.
SBA03 Reinvent SBA's Credit Programs			
SBA03.01	The SBA Administrator, upon completion of his review of SBA's credit programs, should provide a report to the President that outlines specific recommendations, including necessary legislative changes, to improve, expand, and lower the costs of the SBA credit programs.	1	
SBA04 Examine Federal Guidelines for Small Business Lending Requirements			
SBA04.01	The Department of the Treasury, in conjunction with the bank and thrift institutions' regulators, should examine guidelines for depository institutions to determine whether all small business loans made by well-capitalized institutions should be examined solely on performance.	1	

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Action item code	Action item text	GAO status code	GAO comments
SBA04.02	The Federal Financial Institutions Examination Council should develop an objective economic indicator of lending to small business.	1	
SBA05 Manage the Microloan Program to Increase Loans for Small Businesses			
SBA05.01	Subsection (m), section 7 of the Small Business Act, 15 U.S.C. 636, should be amended to allow SBA to provide a 100-percent guarantee on loans made by approved lenders to intermediaries selected by SBA.	2	The Small Business Administration Reauthorization and Amendments Act of 1994 (P.L. 103-403) establishes only a pilot microloan guarantee program. The legislation authorizes SBA to guarantee up to 100 percent of loans made to no more than 20 intermediary lenders in urban and rural areas by for-profit and nonprofit entities. Under the pilot program, SBA's authority to guarantee loans terminates on September 30, 1997. SBA's regulations implementing the pilot program were issued on November 2, 1995.
SBA07 Distribute SBA Staff Based on Workload and Administrative Efficiency			
SBA07.01	The SBA Administrator should reallocate SBA staff in line with basic principles of administrative efficiency and program workload.	1	
SBA08 Improve Federal Data on Small Businesses			
SBA08.01	The SBA Administrator should work with OMB and the relevant statistical agencies to include a size-of-firm question in all future federal household and employer surveys that collect data on businesses.	1	
SMC02 Streamline the Internal Controls Program to Make It an Efficient and Effective Management Tool			
SMC02.01	Rewrite OMB Circular A-123, "Internal Control Systems," to be a succinct document that defines the policy for establishing and reviewing management controls.	1	

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Action item code	Action item text	GAO status code	GAO comments
SMC02.02	Replace OMB's existing Internal Control Guidelines with a handbook on management controls.	6	Since the 1993 NPR recommendation, OMB has issued revised policy and guidance to agencies in its circular "Management Accountability and Control" (Circular A-123; June 21, 1995). Properly implemented, the new circular provides a framework for agencies to develop effective systems of management controls, consistent with the objectives of the Federal Managers Financial Integrity Act of 1982, without the cumbersome reporting requirements referred to by NPR. Further, since the NPR recommendation was made, considerable focus has been placed on management control issues, both within government and the private sector; also, a significant amount of resource material has been developed on the design, implementation, operation, and evaluation of management control systems. For example, the Committee on Sponsoring Organizations of the Treadway Commission formulated the Internal Control-Integrated Framework, which could serve as a reference model.
SMC02.03	Revise government-sponsored management training to teach management control as an integral function of management, not as a reporting requirement.	2	OMB reports that it plans to continue to participate in OPM management training focused on controls. Also, OMB reports that EPA, DOI, IRS, and Treasury have written memorandums and developed training materials that emphasize that management controls are an integral function of management. Along with the accountability reporting initiative now under way, these are good initial steps but clearly do not represent the governmentwide revision intended by the NPR action item. Over time, as ongoing initiatives are continued and additional agencies move to provide more training emphasis on management controls, this action item will become fully implemented.
SMC03 Change the Focus of the Inspectors General (IG)			
SMC03.01	Change the emphasis of IGs from compliance auditing to evaluating management control systems.	1	
SMC03.02	Change the IG's method of operation to be more collaborative and less adversarial.	1	
SUP03 Improve Distribution Systems to Reduce Costly Inventories			
SUP03.01	Permit customer choice in sources of supply.	1	
SUP03.07	Provide agencies with parallel contracting authority.	1	
SUP04 Streamline and Improve Contracting Strategies for the Multiple Award Schedule Program			
SUP04.01	Eliminate mandatory supply schedules.	1	(See also GSA01.02.)

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Action item code	Action item text	GAO status code	GAO comments
SUP04.02	Eliminate the announcement requirements for information technology acquisitions from supply schedules.	1	
SUP04.03	Raise the maximum order limitations for information technology acquisitions from supply schedules.	1	
SUP04.04	Reduce the administrative burden for acquisitions under \$10,000 from supply schedules.	2	The administrative burden for GSA supply schedules acquisitions has been reduced. To be consistent with the threshold Congress adopted in the Federal Acquisition Streamlining Act of 1994, however, GSA reduced this burden only for purchases under \$2,500, not \$10,000 as stated in the action item.
SUP04.06	Identify and test innovative procurement strategies that reduce costs for goods under the Multiple Award Schedule program.	1	

SUP05 Expand Agency Authority and Eliminate Congressional Control Over Federal Vehicle Fleet Management

SUP05.01	Update vehicle replacement standards.	1	
SUP05.03	Increase emergency repair limits.	1	
SUP05.04	Provide incentives and authorize agencies to dispose of agency-owned vehicles.	6	GSA implemented this action item administratively through an amendment to the Federal Property Management Regulations (FPMR), rather than legislatively as NPR recommended in its accompanying report. FPMR now authorizes agencies to dispose of their own vehicles and also allows agencies to reinvest the proceeds in new vehicles under an exchange sale program.

SUP06 Give Agencies Authority and Incentive for Personal Property Management and Disposal

SUP06.01	Eliminate the monopoly on personal property disposal services.	1	
SUP06.02	Automate the personal property screening process.	1	
SUP06.03	Provide incentives to agencies to dispose of excess personal property.	6	GSA's FPMR now addresses this action item by permitting agencies to reinvest, in like property, the proceeds from sales of vehicles, and certain other types of continuous-use equipment. According to GSA, this reinvestment provision (exchange/sale) covers the bulk of personal property sales. Per GSA, proceeds from the sale of miscellaneous excess personal property items, such as office furniture, that account for only about 3 percent of total sales revenue (about \$7 million annually) continue to go directly to the Treasury. Given the administrative accounting system changes that would be required, GSA decided that the benefits of allowing agencies to retain these relatively small sales proceeds were not great enough to merit the legislative change NPR recommended in its accompanying report.

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Action item code	Action item text	GAO status code	GAO comments
SUP07 Simplify Travel and Increase Competition			
SUP07.02	Increase choices for federal travelers.	1	
SUP08 Give Customers Choices and Create Real Property Enterprises That Promote Sound Real Property Asset Management			
SUP08.02	Create competitive enterprises to provide real property services on a fee basis.	2	While GSA has created various real property enterprises that provide services to federal agencies, these enterprises are not competitive since federal agencies do not yet have the freedom to choose alternative sources. However, GSA has committed to ending its real estate monopoly and seems to be moving in that direction. Also, GSA is in the process of determining the most cost-effective method of carrying out each of its support-services functions, including real property services.
SUP08.03	Create centers of expertise for real property services.	1	
SUP08.04	Create a customer service organization for real property services in GSA.	1	
SUP08.05	Provide agencies with information about all possible real property alternatives.	2	GSA's database now includes or soon will include data on all federal real property holdings, property designated as excess to federal needs, and commercial listings in major cities; GSA continues to expand and improve its database. However, this database does not yet contain data on all possible real property alternatives. For example, it does not contain data on excess properties of state and local governments, properties held by banks and insurance companies, or all properties listed nationwide by commercial realtors. Over the last 2 years, the tools available to provide these data to federal agencies have changed dramatically, and GSA is working with a number of agencies to test the use of the Internet as a vehicle to access this database.
SUP08.06	Create an enterprise for the sound management of federal real property assets.	1	
SUP08.07	Establish governmentwide policy for real property asset management.	2	GSA has consolidated all of its governmentwide policy functions, including real property management, in a new agencywide Office of Planning, Policy, and Evaluation that reports to the Administrator of GSA. To improve governmentwide management, use, and disposition of federal real property mission assets, GSA is reexamining its existing policy guidance, oversight, and disposal efforts and has developed key definitions and principles to guide federal real property asset management. However, GSA continues to refine these governmentwide guidelines, and they have not yet been promulgated.

(continued)

Appendix II
Status of NPR's Completed Action Items

Action item code	Action item text	GAO status code	GAO comments
SUP08.08	Establish performance benchmarks for the real property enterprises.	1	
SUP11 Reduce Postage Costs Through Improved Mail Management			
SUP11.03	Issue guidelines that encourage postage savings through the implementation of mail management initiatives.	1	
TRE07 Improve the Management of Federal Assets Targeted for Disposition			
TRE07.02	Agencies should allow all Asset Forfeiture Fund's administrative costs to be paid from asset sales receipts.	1	
TRE16 Improve Agency Compliance with Employment Tax Reporting Requirements			
TRE16.01	IRS should ensure that all federal executive agencies conform with the Internal Revenue Code reporting requirements related to payments to independent contractors.	1	
TRE16.02	The Financial Management Service and OMB must encourage closer coordination between agency procurement and financial management/accounting functions to ensure compliance.	1	
USDA01 End the Wool and Mohair Subsidy			
USDA01.01	Legislation should be enacted to eliminate federal support payments for wool and mohair.	1	
USDA03 Reorganize USDA to Better Accomplish Its Mission, Streamline Its Field Structure, and Improve Service to Its Customers			
USDA03.02	The Secretary of Agriculture should submit legislation to implement the new organizational structure to enhance the delivery of USDA services.	1	
USDA06 Encourage Better Food Package Management Practices and Facilitate Multistate Contracts for Infant Food and Formula Cost Containment in the Women, Infants, and Children (WIC) Program			
USDA06.01	USDA should assume a leadership role in cost-containment efforts and focus on cost containment for additional items in the WIC food package, such as infant cereal, juice, and other food products.	1	

Comments From NPR



National Performance Review

750 17th St. NW
Box 101
Washington, DC 20006

April 5, 1996

L. Nye Stevens, Director
Federal Management and Workforce Issues
U.S. General Accounting Office
441 G Street, NW
Washington, D.C. 20548

Dear Mr. Stevens:

Thank you for the opportunity to provide comments on your draft report, *Management Reform: Completion Status of Agency Actions Under the National Performance Review*. It is a valuable report that shows the significant accomplishments of the many federal agencies reviewed. It is reassuring to know the agencies are holding themselves to your high standards for completion of the 380 action items you reviewed. We also appreciate your identifying cases where agencies may have prematurely declared success. In 42 instances, agencies have agreed to reclassify their progress as not being fully implemented.

We believe, however, that another 28 of the action items were fully implemented. In nearly all cases where we differ in the classification of an action item, it seems there is agreement on the facts of the matter but differences in the interpretation. For example, GAO believes --

- the Department of Interior's Bureau of Mines only "partially implemented" the recommendation that it should reduce costs and increase efficiencies by discontinuing operations such as small cylinder filling, maintenance and test and other non-revenue producing operations. However, the fact is the Bureau of Mines has been abolished and as a result has discontinued ALL operations.
- the Department of Transportation only "partially implemented" a recommendation to create a resource allocation model and use it to better allocate staff and travel budgets. In studying NPR's recommendation, Transportation found NPR's intent could be met less expensively using an alternative method. It used this alternative method and we believe it meets the intent of the NPR proposal, even though it was not implemented exactly the way it was originally proposed.
- the action item recommending the President issue a directive to implement family-friendly workplace practices in agencies is "partially implemented" because all

Reinventing the Federal Government

NPR Response to L. Nye Stevens

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agencies cannot demonstrate they have fully implemented the directive. While this may be true, GAO has set a higher standard than was specified in the action item. The action item recommended the President sign a directive, which was done, but did not specify the full implementation of the directive in every federal agency before it could be declared completed. In this and other cases where there were differences in interpretation, GAO's standard of "fully implemented" could never be met because these are continuing processes.

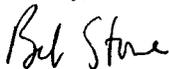
We detailed the specific differences in the 28 action items in the following attachment.

In addition, the Central Intelligence Agency did not respond to your request for information regarding the status of its 20 action items. You classified as "insufficient information." We think that, for consistency's sake, you should either exclude these 20 items from your base in calculating the percent of items "fully implemented." or accept the Intelligence Community's self-assessment and include them in the baseline.

If these 20 items were excluded from the baseline and the 28 items where there are differences in opinion as to how they should be classified are included, the total percent of NPR recommendations that have been completed would be 318 out of 360, or 88 percent of those claimed as completed by the agencies in NPR's September 1995 status report.

For the most part, though, we consider this exercise to be very helpful in assuring Congress and taxpayers that the recommendations of the National Performance Review are in fact being implemented.

Sincerely,



Bob Stone
Project Director
National Performance Review

Attachment

**Appendix III
Comments From NPR**

**NATIONAL PERFORMANCE REVIEW RESPONSES TO
GAO ASSESSMENTS REGARDING
THE COMPLETION OF SELECTED NPR ACTION ITEMS**

Action Item	Action Item Text	NPR Response
DOC10.05	The Economic Statistics Administration should develop an effective National Trade Data Bank marketing plan.	GAO believes this action item is "partially implemented" because the plan, though successful, "lacks a thorough evaluation component." ESA believes the action is "fully implemented," citing skyrocketing NTDB sales as the best measure of the market plan's success. It believes successful marketing is a better measure than developing an evaluation component to the plan.
DOE01.08	For those environmental services that are paid for on a cost-plus-award or a cost-plus-fixed fee award basis, DOE should perform systematic and timely audits on costs incurred by every contractor to verify that costs charged are legitimate and reimbursable.	GAO believes this action item is "not implemented, but action taken" because a backlog of contract audits still exists. DOE has developed a systematic process and has either audited these contracts or is working through its existing backlog to audit them. Since this is an ongoing process, DOE considers the action to be "fully implemented." It believes the GAO standard of having no backlog would preclude DOE from ever declaring this action completed.
DOI02.06	The Surface Mining Control and Reclamation Act should be amended by Congress so that the Rural Abandoned Mine Program is administered by the states.	GAO believes this action item is "not implemented, but action taken" because the Office of Surface Mining requested no funds for the program in fiscal year 1996. This action should be reclassified as "other" since the purpose of the action was to save taxpayers' money and eliminating the program met this objective. H.R. 1977, the Interior Department's pending appropriation bill, would not fund the program for FY 1996.
DOI03.03	The Federal Geographic Data Committee should submit a schedule and funding plan to OMB by September 1994, for completing the collection and production of national core geospatial data by 2000.	GAO believes this action item is "not implemented, but action taken" because a schedule and funding plan have not been sent to OMB, but a concept paper has been developed and a guidebook is under development. DOI officials believe the action is "fully implemented." They say FGDC developed and approved a plan in March 1995, in consultation with representatives from state, regional and local government agencies and others. It was submitted to OMB on June 14, 1995.

**Appendix III
Comments From NPR**

Action Item	Action Item Text	NPR Response
DOI03.04	The FGDC should identify thematic data sets of critical national importance and establish priorities, standards, and a funding plan by September 1994, based on partnerships for collection of these data.	<p>GAO believes this action item is "partially completed" because the dozen interagency subcommittees created to develop standards are in various phases of completion.</p> <p>FGDC did submit the plan for data collection and considers all the shorter term aspects of the action to be "fully implemented" and consistent with the purpose described in NPR's report. The work to develop standards that will be accepted by the non-Federal community in the National Spatial Data Infrastructure, is a longer term effort and is continuing. However, this is beyond the actions recommended by NPR.</p>
DOI13.03	The Bureau of Mines should reduce costs and increase efficiencies by discontinuing operations such as small cylinder filling, maintenance, and testing, and other non-revenue producing operations.	<p>GAO believes this action item is "partially implemented" because the Helium Field Office has not yet identified or discontinued "other non revenue producing operations."</p> <p>DOI believes this should be reclassified as "other," because it was completed in a manner different than proposed in the action item. The Bureau of Mines has been abolished, a fact not noted by the GAO report. Since all operations have been discontinued, costs have been more than reduced.</p>
DOJ05.01	DOJ should help inmates working in the Bureau of Prisons (BOP) labor programs complete a GED degree.	<p>GAO characterizes DOJ's program to help inmates working in the Bureau of Prisons complete a GED certificate as "partially implemented," because they were unable to determine if BOP has increased GED program participation, even though the pass rate of those who participate has improved.</p> <p>DOJ's achievement in continuing a GED program at the BOP and its dramatic increase in the pass rate should be characterized by a "Fully Implemented" status.</p>
DOJ08.03	The INS Commissioner should restructure the organization to better meet its responsibilities.	<p>GAO believes the INS restructuring is "partially implemented," because "insufficient time has passed to evaluate whether the reorganization has accomplished its goals."</p> <p>INS characterizes its restructuring, which was completed on October 1, 1994, as "fully implemented" - the organization was clearly restructured in order to better meet its responsibilities.</p>

**Appendix III
Comments From NPR**

Action Item	Action Item Text	NPR Response
DOJ09.01	DOJ should develop a departmentwide case management system capable of tracking the status of matters referred to the department and the total number of staff in the litigating organization working on them.	<p>GAO believes this action item is "partially implemented" because even though the Case Management System was implemented in 1995, the project "was not expanded to track staff productivity because of funding constraints."</p> <p>DOJ classifies its action as "fully implemented" because it has developed and implemented the Case Management System on August 31, 1995. NPR's focus was on case and workload identification. GAO added a third standard -- staff productivity -- that was not part of the original NPR action item.</p>
DOS02.01	The Department of State, the National Security Council, and OMB should reform the interagency foreign policy resource management process for Budget Function 150.	<p>GAO believes this action item is "partially implemented" because it believes "the Secretary lacks the authority to implement further reform and does not make resource allocation decision for other agencies ..."</p> <p>The Department of State classifies this specific action as "fully implemented" because it reformed the interagency foreign policy resource management process for Budget Function 150, in part by creating the Office of Resources, Plans and Policy within the Department of State.</p>
DOS08.01	The Department of State should ensure that overseas medical expenses are accurately identified and reported by each embassy.	<p>GAO believes this action item is "partially implemented" because "further evaluations are needed to determine if all embassies are following procedures."</p> <p>The Department of State agrees with GAO's facts regarding the creation and implementation of its new system, but characterizes this action as "fully implemented." The action item does not require an evaluation of the effectiveness of the new system; that is a standard imposed by GAO.</p>
DOT07.01	DOT should conduct a cost allocation study to determine (1) whether foreign carriers who cross U.S. air space should pay fees and (2) whether direct user fees should be introduced. If so, DOT should propose legislation and work with Congress.	<p>GAO believes this action item is "partially implemented" because DOT is continuing to conduct studies and has not recommended legislation.</p> <p>DOT classifies this action as "fully implemented." It did the recommended study and is proposing fees. The fact that it is continuing to do additional cost studies doesn't mean the action isn't complete. DOT concluded that new statutory authority is not needed to establish user fees for international overflights; such fees can be established through a notice of proposed rulemaking and is doing so.</p>

**Appendix III
Comments From NPR**

Action Item	Action Item Text	NPR Response
DOT22.01	DOT should place a geographic information system (GIS) in each DOT regional office to merge many national-level data bases with the existing Office of Motor Carriers safety data sets.	<p>GAO believes this action item is "partially implemented" because DOT determined that merging the databases is too costly.</p> <p>DOT agrees with GAO's facts, but would classify this action as "Other" because it has implemented the spirit of the action item in a way that is consistent with its purpose and at a lower cost.</p>
DOT22.02	DOT should develop a resource allocation model and integrate it into the GIS to better allocate staff and travel budgets.	<p>GAO believes this action item is "partially implemented" because DOT studied the NPR proposal and concluded the same results could be achieved at a lower cost without developing a national model.</p> <p>DOT agrees with GAO's facts, but would classify this action as "Other" because it has implemented the spirit of the recommendation in a way that is consistent with its purpose and at a lower cost.</p>
DVA10.02	DVA should develop a departmentwide policy for collecting and responding to veterans' suggestions and concerns.	<p>GAO believes this action item is "partially implemented" because its customer service plan does not contain specific assurances.</p> <p>DVA classifies this action as "fully implemented" because it issued a departmentwide policy on this action item in a Secretarial letter to employees dated September 20, 1994 and VHA Directive 10-94-102 (Oct. 14, 1994). Its Customer Service Feedback Center also includes a "lessons learned" clearinghouse function to ensure concerns are addressed and problems are corrected.</p>
DVA10.03	DVA should develop comprehensive approach for improving response capacity to customers' concerns, inquiries, and complaints.	<p>GAO believes this action item is "partially implemented" because DVA's customer service plan does not establish full accountability or procedures to ensure concerns are met.</p> <p>DVA classifies this action as "fully implemented" because it has undertaken nearly a dozen specific actions that, when taken together, comprise a comprehensive approach for improving its response capacity. For example, DVA has appointed patient representatives in each medical facility to serve as ombudsmen for veterans and their families. These representatives have created a tracking system for complaints. In addition, DVA ensures accountability by using standards for timeliness and responsiveness developed with input from veterans and families.</p>

**Appendix III
Comments From NPR**

DVA10.04	DVA should develop comprehensive approach for strengthening consultative role of veterans service organizations in VA policy- and decision-making.	GAO believes this action item is "partially implemented" because written policies are needed. DVA classifies this action as "fully implemented" based on its deeds, with which GAO agrees. The action item does not require written policies to be considered completed; this is a GAO-imposed standard.
ED05.09	ED should notify applicants of the status of their applications and funding as early as possible to help applicants plan, and if necessary, seek alternative funding.	GAO believes this action item is "partially implemented" because it found no evidence that the shorter process is short enough to allow applicants to pursue alternative funding. Education officials classified this item as "fully implemented" because it has reduced applicant notification time by 6 to 7 weeks. Other delays are related to congressional approval of appropriations and are beyond the Department's control.
ED11.01	The reauthorization of the Office of Educational Research and Improvement (OERI) should include 5 of the central recommendations from the National Academy of Sciences (NAS) report.	GAO believes this action item is "partially implemented" because only one of the five NAS recommendations was enacted into law. Education officials have classified the action as "fully implemented" because they completed all 5 NAS actions; not all items required legislation. They said: (1) the reauthorization (P.L. 103-227, Title 9 and P.L. 103-382) established a National Educational Research Policy and Priorities Board, (2) the Board has published standards for the selection and conduct of peer review panels, (3) the fragmented research structure has been replaced by five institutes, (4) an Office of Reform Assistance and Dissemination has been established, and (5) OERI and NCES issue reports directly to the public.
FM02.05	OMB, Treasury and the CFO Council should develop a long-range integrated budget and financial information strategic plan.	GAO believes this action item is "not implemented, but action has been taken" because detailed steps, milestone dates, and points of responsibility are not specified in the guidance developed by the Joint Financial Management Improvement Program. OMB classifies this action as "fully implemented" via the annual <i>Federal Financial Management Status Report and Five-Year Plan</i> it issues jointly with the CFO Council. Treasury is also working with agencies to collect integrated budget and financial data on a pilot basis.

**Appendix III
Comments From NPR**

HRM06.01	Deregulate training and make it more responsive to market forces.	<p>GAO believes this action item is "partially implemented" because OPM has not yet issued final regulations.</p> <p>OPM agrees with GAO's facts, but classified the action as "fully implemented" when P.L. 103-226 was signed into law. The action item only recommended legislation. GAO has created a higher standard by implying OPM must issue regulations before it could claim completion.</p>
HRM07.01	The President should direct agencies to implement family-friendly workplace practices while continuing to ensure accountability for customer service.	<p>GAO believes this action item is "partially implemented" because all federal agencies cannot demonstrate that family friendly workplaces are fully implemented.</p> <p>OPM agrees with GAO's facts that implementation varies between agencies. However, it classifies it as "fully implemented" because the action item only required a Presidential directive, which was done. GAO is calling for a higher standard than the action item does.</p>
HRM14.02	OPM should draft legislation to assess an actuarial charge for early retirement and delegate authority to agencies to approve early retirement.	<p>GAO believes this action item is "partially implemented" because agencies have not been granted statutory authority to independently approve early retirement authority.</p> <p>OPM agrees with GAO on the facts, but believes that this action item should be classified as "other," where implementation was consistent with the purpose, but did not respond to the letter of the action. This action was completed administratively without statutory change. OPM wanted to act quickly and opted to use its existing authority to give agencies permission to grant early retirements. It streamlined its processes and agencies have reacted positively.</p>
ICS01.01	The President should issue an executive order that would establish an overall policy for the quality of federal services delivered to the public, and initiate customer service programs in all agencies that provide services directly to the public.	<p>GAO believes this action item is "partially complete" because an NPR official says not all agencies that provide services directly to the public have initiated customer service programs.</p> <p>NPR classifies this action item as "fully implemented" because all agencies that serve the public directly have customer service standards. Dozens of other agencies that do not directly serve the public are developing standards as well. NPR would welcome information that would identify other agencies that should issue standards.</p>

**Appendix III
Comments From NPR**

NASA05.06	NASA should assist in ongoing efforts to converge U.S. operational weather satellites, given the benefits of streamlining the collection of weather data across the government.	<p>GAO believes this action item is "partially implemented" because this is a continuing effort and NASA's ultimate role should be clarified.</p> <p>NASA has assisted and is assisting in these ongoing efforts. Action has been and is being accomplished. The action does not require full convergence to accomplish it. GAO's standard would mean the action could never be fully implemented.</p>
PROC01.01	OMB should develop a plan to convert the 1,600 page Federal Acquisition Regulation (FAR) from rigid rules to guiding principles for submission to the President's Management Council.	<p>GAO believes that this action item is "not implemented, but action has been taken" because the FAR rewrite is not complete.</p> <p>OMB believes this action is "fully implemented" because it developed a plan in 1994 and issued guiding principles on July 3, 1995. While the FAR rewrite is not complete, that was not part of this specific action item; the rewrite is addressed in PROC01.02, which OMB classifies as underway, not completed.</p>
PROC06.06	The Administrator, GSA, and the Secretary of Defense should identify causes of protests and provide the Director, OMB, with recommendations for to eliminate the causes of protest and improve agency processes.	<p>GAO believes that this action item is "partially implemented" even though it agrees the specific actions have been completed because it remains to be seen whether the actions underway will actually eliminate protests and improve agency processes.</p> <p>OMB and GSA believe the action is "fully implemented" because the recommended actions were completed. The "wait and see" standard imposed by GAO was not part of the action item.</p>
SMC02.03	OMB and agency heads should revise government-sponsored management training to teach management controls as an integral function of management, not as a reporting requirement.	<p>GAO believes that this action item is "partially implemented" because this is an ongoing effort and more agencies need to be included.</p> <p>OMB agrees with GAO's facts, but classifies this action as "fully implemented" because written commitments are in place in key agencies and training materials are developed and used. Based on GAO's standard, this action could never be classified as "fully implemented."</p>

GAO's Response

Our response to NPR's comments of the National Performance Review (NPR) on specific action items follows.

DOC10.05

We considered this action item to be only partially implemented because the effectiveness of the National Trade Data Bank marketing plan has not been evaluated. Although an increase in sales is a clear indicator of success for the Bank, without an evaluation it cannot be determined that the marketing plan led to the increased sales.

DOE01.08

NPR's records classified this action item as "substantially completed, further action not expected." The action item calls for audits that are both systematic and timely on costs incurred by every contractor. While DOE is working on the backlog of audits, it did not provide documentation showing that audits are being done in a timely manner as called for in the action item.

DOI02.06

NPR's records classified this action item as "substantially completed, further action not expected." The action item calls for the Surface Mining Control and Reclamation Act to be amended by Congress to make the states responsible for administering the Rural Abandoned Mine Program. This had not occurred, as of April 12, 1996. Instead, the Office of Surface Mining Reclamation and Enforcement proposed to accomplish this objective by requesting no funding for the program in fiscal year 1996, which would end federal program administration for that year. However, funding for the program could be restored in future fiscal years.

DOI03.03

The action item calls for the Federal Geographic Data Committee (FGDC) to submit a schedule and funding plan to the Office of Management and Budget (OMB). Department of the Interior (DOI) officials have submitted a conceptual framework to OMB that does not contain a funding plan as called for in the action item.

DOI03.04

The action item calls for FGDC to establish standards and a funding plan for thematic data sets by September 1994. Although FGDC submitted a funding plan, the work on the standards is still in process and has not been completed. NPR noted in its comments that it is a "longer term effort and is continuing."

DOI13.03

The Bureau of Mines was abolished. As we noted in our comments in appendix II on this action item, the Bureau of Mines' helium program was transferred to the Bureau of Land Management, which has yet to identify

or discontinue nonrevenue-producing operations as called for in the action item.

DOJ05.01

NPR's records classified this action item as "substantially completed, further action not expected." The Bureau of Prisons (BOP) has had a dramatic increase in the pass rate for the general equivalency diploma (GED) program. However, BOP did not provide data showing that it had succeeded in increasing program participation, which is what is called for in the action item.

DOJ08.03

After reviewing the Immigration and Naturalization's (INS) comments and better understanding its interpretation of the action item, we revised our assessment to fully implemented. There is no dispute that INS reorganized on October 1, 1994, and that the intent of the reorganization was to enable INS to better meet its responsibilities. We based our original classification on the lack of evidence that the reorganization's objectives have been realized. While such evidence is still lacking, we changed the classification to fully implemented in deference to INS' assertion that the ambiguous wording of the action item required only the reorganization, not actual achievement of its objectives. We provide comments on this action item in appendix II.

DOJ09.01

NPR's records classified this action item as "substantially completed, further action not expected." We determined that the staff productivity is not being tracked, as called for in the action item. In its comments, NPR said that staff productivity was not part of the original action item. However, our review of NPR's records indicates that staff productivity was a part of the action item; NPR documents provided to us as recently as March 15, 1996, contained the exact wording that is cited in appendix II.

DOS02.01

NPR's records classified this action item as "substantially completed, further action not expected." We agree with NPR's assessment because although the State Department has implemented reforms to present an integrated resource management process for Budget Function 150, it lacks the authority to make resource decisions for other agencies in the Budget Function 150 account.

DOS08.01

While the action item does not call for the State Department to evaluate overseas medical expenses, it does require the department to "ensure" that such expenses are accurately identified and reported by each embassy. However, the State Department does not know whether, or the extent to which, all embassies are following the new procedures.

DOT07.01	<p>At the time we completed our audit work, the Federal Aviation Administration (FAA) would not provide the results of its cost allocation study in which it determined that foreign carriers should pay user fees and told us that a more exhaustive study was under way. Subsequently, the Department of Transportation (DOT) provided its fiscal year 1997 budget request to Congress proposing \$150 million in user fee revenues, which FAA officials say will include fees for international overflights. After testifying on plans to introduce user fees, FAA disclosed the results of its cost allocation study—allowing us to change the status of this action item to fully implemented. FAA continues to work with Congress on implementing user fees.</p>
DOT22.01	<p>After receiving NPR’s comments, we again contacted DOT. DOT officials provided documentation that the Office of Motor Carriers (OMC) had employed alternative means to use safety and other data to carry out inspections and other functions by the end of fiscal year 1995. Therefore, we changed our determination of the status of this action item to “other” and concurred with DOT that the item is fully implemented through other means.</p>
DOT22.02	<p>After receiving NPR’s comments, we again contacted DOT. DOT officials provided documentation that OMC had, as called for in the action item, developed an alternative resource allocation model, which it began implementing in fiscal year 1995. Therefore, we changed our determination of the status of this action item to “other” and concurred with DOT that the item is fully implemented through other means.</p>
DVA10.02	<p>The Secretary of Veterans Affairs (VA) issued a departmentwide policy in a September 20, 1994, letter that announced that VA customer service standards will be implemented. We do not consider this sufficient evidence of a “departmentwide policy” for collecting and responding to veterans’ suggestions and concerns as called for in the action item. The other actions that VA has taken and that it discusses in its response do not apply to the entire department, only to a single component—the Veterans Health Administration.</p>
DVA10.03	<p>We recognize that VA has established customer service standards and has taken a number of steps to improve its ability to identify customer concerns. However, we believe VA should develop mechanisms to respond to identified customer concerns before classifying this action item “fully implemented.” Except for the section on the Veterans Health Administration, VA’s 1995 Customer Service Plan provides few specifics on</p>

how VA components will develop “comprehensive” approaches for responding to customer concerns as called for in the action item.

DVA10.04

As VA noted in its response, we recognize the progress it has made with veterans service organizations’ (VSO) consultations under the current Secretary. We are not attempting to impose additional standards on VA, but we believe that written policies to guide VA under future Secretaries are an important part of “a comprehensive approach” to improving VSO coordination as called for by the action item.

ED05.09

Evidence exists that the Department of Education has made a substantial effort to notify applicants of the status of their application as called for by the action item and that the Department may have done as much as possible under current budgetary circumstances. However, we found no evidence showing that the steps it has taken allowed sufficient time for applicants to seek other sources of funding.

ED11.01

We determined that this action item was partially completed under the reorganization of the Office of Educational Research and Improvement because only one of five recommendations cited in the action item was implemented. The legislative implementation did more than establish the advisory board. However, no evidence was available showing that the recommended changes in the education research structure have been implemented, that the Office of Reform Assistance and Dissemination was established to coordinate the integration of research, or that the Office of Educational Research and Improvement reports research findings directly as called for in the action item.

FM02.05

Together, the Joint Financial Management Improvement Program Framework for federal financial management systems and the Federal Financial Management Status Report and Five Year Plan represent a good start toward achieving a number of needed financial management improvements. But neither provides a detailed approach for developing an integrated budget and financial information strategic plan as called for in this action item. In addition, a pilot is ongoing to collect integrated budget and financial data at selected agencies but does not represent a full implementation of the action item.

HRM06.01

The action item calls for deregulating training. The previous federal training law was implemented through nine pages of regulations issued by the Office of Personnel Management (OPM). The new law amended parts of the previous law. After the passage of the new law, OPM acknowledged the

need for new regulations by publishing in the Federal Register its intent to propose such regulations. New regulations are apparently necessary for OPM to reconcile the changes made by the new law with the old regulations. As yet, more than 2 years after the passage of the new law, OPM has not proposed the new regulations it said were needed. If and when new final regulations are issued, they can be assessed to determine if they deregulate training as called for by the action item.

HRM07.01

The action item as published by NPR calls for the implementation of family friendly workplace practices, not, as stated by NPR, “a presidential directive.”

HRM14.02

The action item as published by NPR calls for decentralizing “the authority to approve” early retirements. This has not been done. OPM’s guidance to agencies of March 24, 1994, states that “agency headquarters can now **request** [from OPM] early retirement authority on as broad or narrow a basis as the agency chooses.” OPM has not given agencies the authority to decide on their own when to approve early retirements.

ICS01.01

This action item calls for each agency serving the public to provide evidence that it has issued standards and has initiated a customer service program. While a large number of agencies directly serving the public have developed customer service standards, we were unable to determine the total universe of agencies that serve the public, and NPR was unable to provide us such information. NPR was also unable to provide documentation that each agency serving the public had initiated a customer service program.

NASA05.06

NPR’s own classification of this action item stated that it was only “substantially completed, further action not expected.” The National Aeronautics and Space Administration (NASA) is providing assistance, as called for in the action item, which is an ongoing effort. Our determination is based on the concern that the effort may cease to be ongoing because of indications that NASA’s role in the program may be significantly changing. Given that uncertainty, we feel that NASA’s ultimate role must be clarified for this action item to be considered fully implemented.

PROC01.01

The OMB/NPR comments are based on a revised version of NPR’s originally published action item. The wording of the action item—as published in NPR’s report, dated September 1993—is “Convert the Federal Acquisition Regulation (FAR) from rigid rules to guiding principles” and not “OMB should develop a plan to convert” as OMB and NPR have more recently

stated. As we note in our comments in appendix II, while a plan to rewrite FAR was developed, the rewrite has not advanced as planned, and FAR has not been converted from rigid rules to guiding principles.

PROC06.06

The agency/NPR comments are based on a revised version of NPR's originally published action item. The agencies and NPR said in their comments that we imposed a "wait and see" standard that was not part of the action item. We disagree. The standard we used is the wording of the action item—as published in NPR's report, dated September 1993. This action item states: "Identify and eliminate causes of protests and improve agency processes" and not, as the agencies and NPR have more recently stated: "identify causes of protests and provide the Director, OMB, with recommendations to eliminate the causes of protest and improve agency processes." (Underlining added.) Providing the Director, OMB, with such recommendations does not constitute full implementation of the action item as originally published.

SMC02.03

Information provided by OMB indicates that the effort to complete this action item is in its early stages, that only four agencies have developed training materials, and that no means are in place to readily track or measure the percentage of managers who have been provided revised training. While actions that agencies have taken to date are good initial steps, it is premature to classify this action item as fully implemented. A sustained effort will be needed to ensure that additional agencies make commitments to revise their training and that they follow through on these commitments in order for the action item to be fully implemented.

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